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Five CIS Countries Urge UN Mission in Tajikistan

LD0105201495 Moscow ITAR-TASS in English 1951 GMT 1 May 95

[By Boris Sitnikov]

[FBIS Transcribed Text] United Nations, May 1 (Itar-Tass)—Five CIS countries urged the United Nations to launch a large-scale peace-keeping operation in Tajikistan.

A statement to this effect has been issued by Kazakhstan, Russia, Tajikistan, Uzbekistan and Kyrgyzstan which have provided troops to protect the Tajik border.

The statement said that at their meeting in Moscow on April 20 the foreign ministers of the five countries expressed deep concern about the situation on the Tajik border where attacks on border posts had become increasingly brazen and provocative.

The foreign ministers noted the important role of the CIS peace- keeping troops whose presence in Tajikistan keeps the conflict from spreading, stabilises the situation in the country and facilitates a dialogue between the warring factions.

The ministers urged the international community "to pay more attention to peace-keeping in Tajikistan and play a more active role in diffusing this dangerous source of international tension."

CIS Peoples Asked To Pool Efforts To Prevent War

MM0105112695 Moscow KRASNAYA ZVEZDA in Russian 29 Apr 95 p 1

["Appeal to the Peoples of the Commonwealth States and to the World Public in Connection With the 50th Anniversary of the Victory Over Fascism"—KRASNAYA ZVEZDA headline]

[FBIS Translated Text] The CIS heads of state appeal to the peoples of their countries and to the world public in connection with the 50th anniversary of the Great Victory over fascism.

The day 9 May 1945 will go down in the history of mankind as the most memorable and most significant date of the 20th century—the day when good and freedom triumphed and the day that finally rid peoples of the threat of fascist enslavement.

This Great Victory was based on the heroism of the Soviet Army, partisans, and underground members; the dogged selfless labor of our peoples in the rear, and the wholehearted courage, staunchness, and fraternity of our peoples.

The Allied troops, the antifascist movements, and the efforts made by all the peoples of the countries within the anti-Hitler coalition made an important contribution to the fight against fascism.

The Victory was a very vivid manifestation of the all-destructive force of the peoples' collective spirit and selflessness, the individual heroism of people who upheld and defended their right to freedom and human dignity, and the ability of the world's peoples to unite in the face of mortal danger.

The Victory demonstrated the possibility of and need for cooperation between members of the world community in safeguarding international security and preventing another world war.

We will never forget that huge sacrifices were made for the sake of peace, freedom, and democracy. On behalf of our compatriots we urge the peoples of the Commonwealth and the world public to honor the memory of the dead, carefully preserving the embodiment of that memory, and paying full due to the surviving creators of the Victory.

As we strive to consolidate world peace, we solemnly confirm our peoples' firm desire to seek to deepen all-around cooperation both within the Commonwealth framework and with all countries for the sake of peace and prosperity.

We urge everyone to redouble their efforts to resist new threats to peaceful life on our planet and to eliminate existing and avert potential conflicts, whose tragic development could present a challenge to the ideals of humanity and progress and pose the danger of more disaster, devastation, and bloodshed.

Aware of our sacred duty to the heroes of the Great Victory, living and dead, we urge all peoples of the Commonwealth of Independent States and the world public to pool their efforts and will to rid future generations of the horrors and disasters of more wars!

Rybkin's Activities in Washington Described

Meets With Gingrich

LD0105205695 Moscow ITAR-TASS in English 2046 GMT 1 May 95

[By Igor Borisenko and Viktor Khrekov]

[FBIS Transcribed Text] WASHINGTON, May 2 (Itar-Tass)—A Russian parliamentary delegation led by State Duma Chairman Ivan Rybkin laid wreaths at the Tomb of the Unknown Soldier and the Russian-American war memorial at the Arlington national cemetery on Monday.

The delegation arrived in the United States on a working visit on Sunday to develop contacts between the legislative bodies of the two countries at all levels.

"Last year we agreed to establish ties on the level of parliamentary committees. Now we can sum up the results of what we have done and, if necessary, make corrections and think about what we can do in the future," Rybkin told Itar-Tass.

"Our cooperation is developing to the satisfaction of both sides. Another aspect to our trip is a specific dialogue with American business people. We have specific projects and we need to discuss issues connected with their implementation. These are very large projects which will bring Russia 10-12 billion U.S. dollars in investments," he said.

"This year, when we will celebrate the 50th anniversary of the Victory in WWII, we should join forces in building peace on a sound basis, in building a 'peace belt' from Vancouver to Vladivostok so that the U.S. and Russia would be together in this changeable world," Rybkin said.

Rybkin had talks with House Speaker Newt Gingrich to discuss prospects for closer ties between the parliaments of the two countries. In particular, they considered the possibility of holding a seminar for Russian parliamentarians at the Harvard University.

"We had a very candid and thorough conversation with Speaker Gingrich. We agreed to continue contacts between our committees and factions. We will set up working inter-parliamentary groups which will deal with major problems, such as interaction between Russia and the U.S. in the Pacific," Rybkin said.

Meets With Gore, Other Officials

LD0205052695 Moscow ITAR-TASS World Service in Russian 2259 GMT 1 May 95

[By ITAR-TASS correspondents Igor Borisenko and Viktor Khrekov]

[FBIS Translated Text] Washington, 2 May—Ivan Rybkin, chairman of the Russian Federation State Duma, who is in the United States on a working visit, had a meeting in the White House on Monday with U.S. Vice President Albert Gore. During the conversation "a very wide range of problems of Russian-U.S. relations were discussed," Sergey Yushenkov, chairman of the State Duma Committee on Defense, noted in a conversation with an ITAR-TASS correspondent. Yushenkov attended the meeting along with other Russian members of parliament.

"In particular problems were discussed concerning the expansion of NATO and the supply of a nuclear reactor to Iran, as well as questions concerning the operation of the Gore-Chernomyrdin commission and the prospects for the ratification of the START-2 treaty," he continued. "Considerable attention was also devoted to economic problems, particularly in connection with the Russian parliament's preparation of a draft law on the protection of investment."

On the same day Ivan Rybkin had a meeting at the U.S. State Department with Secretary of State Warren Christopher and First Deputy Secretary of State Strobe Talbott. "It was a very useful meeting," a State Department spokesman who asked to remain unnamed said in a conversation with the ITAR-TASS correspondent. "The state of Russian-U.S. relations as a whole was examined. The main attention was devoted to the Russian parliament's assessment of relations between our two countries. During the conversation certain difficulties in our relations were also touched on, and ways to resolve disputed issues were discussed." In his words, the question of supplies of nuclear reactors to Iran "is one of the points on which there are disagreements between us." The problem of Chechnya, he added, "was mentioned, but not discussed." During the meeting "special note was made of the role of the forthcoming summit meeting in Moscow for U.S.-Russian relations," the State Department of State representative said in conclusion.

Tarasov on Gore-Chernomyrdin Committee Meeting

LD0205123395 Moscow INTERFAX in English 1143 GMT 2 May 95

[FBIS Transcribed Text] MOSCOW, May 2 (Interfax)—Russia is interested that trade and economic relations with the United States should not be discriminatory, aide of Russian Prime Minister Viktor Chernomyrdin in charge of international matters, Mikhail Tarasov, told Interfax. On April 29 he returned to Moscow from Washington, where he had held a series of talks within the framework of preparations for another meeting of the Gore-Chernomyrdin committee.

According to Tarasov, "first such formulation of the question caused a shock in the United States." "It happened historically that the entire trade was one-sided, that is American goods came to the Russian market," he said.

Tarasov said that "as soon as the return movement—of Russian goods to the United States—begins, barriers are put on their way. This is caused by the circumstance that the United States has so far not recognized Russia as a country with the transitional economy," said the aide.

He said that now the Russian side poses a question before the Americans: if you want an access of your goods to Russia, we do not object. But if so, let Russian goods to the US market".

Tarasov said that he had put this question before US Vice-President Albert Gore at the meeting in Washington. According to Tarasov, he proposed to the US vice-president "to make the game fair, not to play only in one gates".

He said that the understandings reached in Washington, make it possible to believe that the activities of the Gore-Chernomyrdin commission will be changed dramatically. "The Americans have agreed that it is necessary to go over from the discussion of 'branch problems' to that of global economic problems, for example, to discuss the state of trade and investments," said Mikhail Tarasov.

U.S. Citizens Held for Espionage on PRC Border

LD0105161895 Moscow ITAR-TASS in English 1609 GMT 1 May 95

[FBIS Transcribed Text] Moscow, May 1 (Itar-Tass)—Three U.S. citizens were detained near the Russian-Chinese border on Sunday on charges of espionage, the Federal Border Guards Service said on Monday.

The Service said that the U.S. citizens were detained near the village of Khasan in the Far East. They were carrying video films of a section of the Russian border on the sea, the territory of the Khasan checkpoint and a part of the electric alarm system.

The Service did not disclose the names of the detainees, but said that all three worked in Vladivostok for various foreign companies.

The Federal Security Service has launched an investigation.

Released by Border Guards

LD0205060895 Moscow ITAR-TASS World Service in Russian 0404 GMT 2 May 95

[By ITAR-TASS correspondent Eduard Popov]

[FBIS Translated Text] Vladivostok, 2 May—Three U.S. citizens detained on 30 April in the area of the Russian-Chinese border near the settlement of Khasan (Maritime Territory) were released by Russian border guards and not handed over to Federal Security Service bodies for investigation. This information, which is of a provisional nature, was given to the ITAR-TASS correspondent today by the operational service of the Federal Security Service directorate for Maritime Territory.

We recall that an ITAR-TASS report on 1 May quoted the Federal Border Service news agency as saying that the detainees, who were found to be carrying video films of secret sections of the Russian state border, had been "handed over to Federal Security Service bodies".

The Far Eastern border district could neither confirm nor deny that the Americans had been handed over to the security service.

The U.S. general consulate in Vladivostok and the mission of the USIA refused to comment on the incident, saying that it was a non-working day and that no authorized staff were on duty.

FBI, MVD in 'Unprecedented' Cooperation

MM0105151195 Moscow ROSSIYSKAYA GAZETA in Russian 29 Apr 95 Weekend Edition p 15

[Report by Anatoliy Shapovalov: "Has the FBI Been Called Out? The U.S. and Russian Special Services Build Bridges"]

[FBIS Translated Text] We will soon put an end to the influence of Russian organized crime in the United States. FBI Director Louis Freeh declared this in Washington at the annual conference of the American-Russian Business Council.

When it comes down to crime (last year 1,700 people were killed in Moscow, and 1,600 in New York), he pointed out, our countries have far more in common than they might acknowledge. There are common causes for concern—crime and violence. These are not things that one country can blame on the other. Crime has become international. All this confirms the pressing need to develop close cooperation and to draw up effective programs to combat crime in Russia and the United States in the name of protecting both countries' law-abiding citizens. We did not seek the end of the Cold War in order to observe the spread of criminal groups seeking to ruin both the United States and Russia. The struggle against them, as well as cooperation between law-enforcement organs, must become a priority direction.

For the first time in history representatives of the FBI are now working on a permanent basis in the U.S. Embassy in Moscow, establishing close contacts with their Russian colleagues. An investigation into 75 cases connected with organized crime and financial machinations (money laundering, illegal exporting of capital to the United States by Russian citizens) is already being conducted jointly with the MVD [Ministry of Internal Affairs] (on equal terms).

The Russian Federation MVD has given the FBI great assistance in investigating a computer fraud case, when Russian citizens made an attempt to hack into the U.S. banking system by computer and to transfer funds to fictitious accounts. The sum that they intended to steal reached $9 million, while the potential damage from this operation would have run into hundreds of millions of dollars. Thanks to the Russian colleagues' assistance, the leader of this criminal grouping was recently detained in a third country (after he left Russia), while his accomplice was arrested in the United States itself. The FBI in turn is conducting an investigation and searching for persons who took with them millions of dollars and also property on leaving Russia which, after the necessary action has been taken, are to be returned to their legal owners in Russia.

Cooperation is not confined to investigating financial crimes. Not so long ago the daughter of a Russian emigre living in the United States was kidnapped, and a citizen of the Russian Federation was charged with taking the child out of the country. The case proved extremely complex. But the Russian authorities succeeded in detaining the kidnapping suspect. The girl was found whole and unharmed, and she will soon be returning to her mother in the United States. The suspect has been handed over to the U.S. authorities, and he will soon appear in court, where—and this is unprecedented—a representative of Russia's law-enforcement organs will be present.

Official Cites Interpol List of Wanted Russians

MM0105133195 Moscow IZVESTIYA in Russian 29 Apr 95 p 4

[Unattributed report: "393 Russian Criminals Hiding in Countries of Far Abroad"]

[FBIS Translated Text] "There are 393 Russian Federation citizens who have committed crimes in their own country who are hiding outside Russia in the countries of the far abroad and there are already arrest warrants for nine of them," journalists were told today at a briefing at the Russian Federation Internal Affairs Ministry public relations center by Yuriy Melnikov, chief of the Interpol national central bureau in the Russian Federation.

He said that Interpol's lists contain information on 135,000 criminals, 350 of whom are Russians.

Information about 19 Russians who are being sought worldwide by Interpol has the "red corner" note (meaning "particularly dangerous"), POSTFACTUM reports.

Ministry Calls For End to Hostilities in Croatia

LD0205122095 Moscow INTERFAX in English 1210 GMT 2 May 95

[FBIS Transcribed Text] MOSCOW, May 2 (Interfax)—Moscow is deeply concerned over the sharp escalation of tensions in the Republic of Croatia and over the resumption of military actions there, said the Russian Foreign Ministry in a statement forwarded to Interfax on Tuesday.

Russia's Foreign Ministry urged the parties concerned to display prudence, sit around the negotiating table without delay, and resolve their differences. "All hostilities must be ceased at once, and the conflicting sides must withdraw their troops to their initial positions in accordance with the agreement on ceasing fire signed on March 29, 1994," the Foreign Ministry said in its statement.

"Under the circumstances Russia will resolutely press at the UN Security Council for taking measures needed to restore peace in Croatia," the statement pointed out.

Izhevsk Arms Export Impact Assessed

954F2145A Moscow LITERATURNAYA GAZETA in Russian No 16, 19 Apr 95 p 13

[Article by Sergey Smirnov, LITERATURNAYA GAZETA special correspondent: "That's Business for You: Shooting at Your Own People; Arms from Izhevsk Flown to Cyprus Lands Inside the CIS"]

[FBIS Translated Text] Izhevsk-Moscow—"We are all children of the VPK [military-industrial complex]," my neighbor says confidently.

We are looking out of the airplane window. Udmurtia is under the wing. Our part of the country is "strategic." Izhevsk can arm the republic in one work shift. The overfilled arsenals today were the result of the demand in hot spots.

"Well, you say that our boys are being killed in Chechnya. They are being killed with our arms!..."

The rhetorical exclamation of my travelling companion opened up the subject. The conflict in Groznyy has raised a very pointed question: Where do the arms in hot spots come from? Kalashnikov assault weapons made in 1994 were discovered among Dudayev supporters in Groznyy. I tried to find the answer to the question in Izhevsk, in a very old small arms workshop.

Voron, a crime boss, was on his way to an interrogation. A new Moskvich was chosen for him for the trip. Only the person who summoned him knew about the visit to the Republic Administration for Fighting Organized Crime.

He was summoned in connection with the murder of Aleksandr Rodionov, deputy chairman of the Fund for Afghanistan War Invalids. Before this, killers tried twice without success to kill the "Afghanets." They fired pistols; they threw a grenade—Rodionov was lucky; bystanders were killed. The third time, he was shot right at the airport. Witnesses saw women running away. Who "supplied" the killers? Voron was certain: Eldar.

It was he, Voron, who put Eldar on his feet while still in prison. The godson climbed to the top after he got out. He took control of a number of banks in Izhevsk. He began to keep the Udmurtia "gang treasury," into which merchants paid bribes. Privatization of the military plants shattered the peace. Eldar wanted to have absolute rule. He solicited an "OK" for a free hand from the authorities at a meeting in Moscow. Drastic showdowns started to take place in Izhevsk. Eldar walked over dead bodies.

The murdered Rodionov was one of the candidates for the State Council of the republic. The crime war coincided with the preelection campaign of the aspirants for the legislative organ of Udmurtia. It is the State Council that will have to decide the fate of such VPK giants as the Izhevsk Machine-Building Plant Production Association. Moscow declared Izhmash insolvent, declared it bankrupt, and made a change in the privatization plan. According to this, shares of stock must be sold in a single block in an investment competition. Ludicrous prices were designated. This news was met guardedly in Izhevsk. Most likely, it is believed here, either Moscow or foreign structures through dummy entities will join the fight for Izhmash. In order to receive a tasty morsel, the arms mafia needed its own people in the State Council. Just before the elections the republic procuracy made a public announcement about "the efforts of criminal circles to seize power in the republic." But at the same time the sixth contract murder occurred in Izhevsk.

...Voron recounted everything he knew about the murder of the candidate for deputy. As was contemplated, he was let go in peace. His personal driver was waiting in the car. After riding a block, Voron felt he was being tailed. At an intersection the pursuers started to shoot. The Moskvich continued to dodge around the city for a long time, disregarding red lights. When the driver stopped the car, Voron was already dead.

The Administration for Fighting Organized Crime was situated in the building of a kindergarten. Employee cars stood in a little courtyard in a sandbox area. "The arms trade?" my question was repeated in one of the offices. "This is a dangerous subject..."

Law enforcement organs disclosed seven underground shops this year alone. Handicraftsmen assembled rifles, pistols, and assault weapons. They carried out weapons from the plant in parts. Tell me, how can you detain a "carrier" at the entrance way with a hammer spring in his pocket? This important part will join the hammer and the breach-block at home.

The demand for unregistered arms has recently increased sharply. Unaccounted-for assault weapons and pistols were required first and foremost by gangster formations. The handicraftsmen accepted a special order. The killers who pulled the trigger boldly threw the assault weapons away. The numerical marks found on the barrel (each weapon has its own number) surprised the detectives: The weapons did not appear in the card files of the MVD or of any manufacturing plant.

With time, a foreman prompts a worker to put one and the same number on two barrels. Twin assault weapons appear. Here, after coming to an agreement with the guard detail (although it has been reduced at special facilities), it is possible to take out a whole batch of unaccounted-for parts. Left-handed assault weapons bring a good profit. But prices are established in hard currency. For a worker who has not seen any pay for months, the zeros jump out before his eyes.

The black market in arms has started to boil in Izhevsk. The middleman has succeeded in the once closed capital of Udmurtia. More and more frequently from abroad. With a hunter's card and a license it is possible to acquire pump and rifle weapons at a low price. The society of hunters, for example, of Lithuania or Belarus, could buy a batch of guns in the capital's Okhotnik store. The latter cooperated with the producing plant independently. The arms market in Izhevsk has become more and more uncontrollable.

It was possible to land the aircraft with the help of PVO (Air Defense) troops at one of the Astrakhan military airfields. Onboard was a load of Makarov pistols with an adjustable sighting device. The country of destination was indicated on the customs declaration—Cyprus—and the recipient was the Lore Trading LTD company. But the aircraft, which was leased by Aleksandra Atapina, the cofounder of this offshore company, was flying along the Izhevsk-Sleptsovsk (Ingushetia) route.

Atapina was detained together with the cargo after a criminal case was instigated in accordance with the elements of a crime stipulated in Article 218, part 1 of the Criminal Code of the RSFSR—the illegal acquisition and sale of firearms without appropriate authorization. Examination established that the company, which was registered in Cyprus, exported weapons without a license. It was also revealed that payment for the arms was conducted by fictitious firms and in one case with cash by a figurehead payer.

Two copies of a contract for the delivery of IZh 70-10 pistols lie on the table of an investigator. Signed at the same time, 12 November 1993, the copies have the number 1194/92-300052. But they differ in the amount of commodities. One of them indicates 100,000 units, the other—150,000 units of arms. The difference remained unaccounted for. I will note that one pistol like this costs on an average of $200-250 on the Western market. It is not difficult to calculate that someone pocketed tens of millions of dollars. Today pistols from that batch are in various corners of the former Union. Thus, 28 pistols were confiscated from criminals in Ufa. It is not difficult for a specialist to determine where the arms were produced. He takes into account not only the numerical markings but also the scratches of the pistol's ejector, the brand of steel, etc.

This is not the only case of forgery in arms sales in Izhevsk. In November 1991 representatives of the British firm Kenford Enterprises Limited concluded a contract with the leadership of the Izhevsk plant for the delivery of 120,000 IZh 70-01 sports-training pistols at a price of about $60 each. The pistols were being sent to the West. Two freight cars with boxes reached the Finnish border safely. The third was unsuccessful: It was detained by Estonian customs. The Estonians saw a violation in the declaration. According to the documents, the car had 7,200 items of arms. As a matter of fact, there were significantly more.

The Ministry of Security of Estonia was to have instigated a case on the grounds of smuggling, but it soon stopped. "For what reason?" I inquired of the investigators. Well, on the basis of expert examination, which established that it was sports-training pistols that were dispatched.

Within a month one of the pistols from the Estonian freight car surfaced in Nizhniy Novgorod. Expert analysis of the Oblast UVD [Administration for Internal Affairs] established that this pistol of a Makarov design and 9 mm caliber is a combat weapon. It seems that the experts committed an error?

Commercial firms appeared at military plants at the end of the 1980's. A typical case: the creation of the Baykal Firm at the Izhevsk mechanical plant. Baykal emerged on order No. 91 of the Minister of Defense Industry of the USSR.

At the beginning of Baykal's renowned affairs, marketing on the American market was unsuccessful. Today, the Izhevsk people are bringing inlaid hunting rifles to the exhibition in Nuremberg. It seems that the five years were not in vain. During these years the namesake of the Izhevsk Baykal grew up on the distant island of Cyprus—the Baykal Limited Responsibility Company.

Today the investigators calculated: Every Cypriot could buy five Makarovs each. It is actually not Cyprus, but an island of Makarovs! But the arms were headed in an entirely different direction. What direction? It is not difficult to guess, if you know the hot spots that need them.

The gunsmiths encountered the new practice of deliveries for the first time during the conflict in Nagornyy Karabakh. The situation at that time seemed to be at an impasse. On the one hand, the arsenals seemed to be overfilled with commodities that were not in demand. The old system of state orders was disrupted. There were no prospects of sales. There was nothing with which to pay wages. Something like an allowance in the form of gas pistols was issued in Izhevsk. On the other hand, with the breakup of the empire, people expressed their relations in the language of automatic weapons along the border fissures that formed. It would be a sin to turn down such a sales market. What is one to do, when two previously "fraternal" peoples from a once single political and economic space are at war? I will never forget the phrase of a defense worker acquaintance. It was proposed that he sell helicopters to Nagornyy Karabakh. "You know, I barely had time to think about the proposal, when the Armenians approached me," he told me. "And you can imagine that I was frightened. I will sell them helicopters today, but tomorrow their enemy will come to me with an assault weapon!"

Then the people in striped trousers suggested a solution. They decided to sell arms in hot spots for hard currency through "third countries." Immediately joint firms with the participation of the gunsmiths were established in the offshore zone. The island in the Mediterranean Sea turned out to be convenient for the Caucasus hot region. Cypriots appeared for the first time in Izhevsk.

Aleksandra Atapina, who dispatched the pistols, is only a link in the farflung chain of arms merchants. Someone was definitely behind the Izhevsk merchant, more influential people in Russia. I was told in the military Procuracy: Any transaction for the delivery of arms, excluding, perhaps, petty thefts from the warehouse, is coordinated at a high level.

What is odd is that after the detention of the Izhevsk freight car with the pistols by the Estonian customs officials, the plant management there and then got into contact with Moscow. The Estonian Government received an official note with the demand to immediately dispatch the car to its destination. The note was signed by Deputy Chairman of the Russian Federation Supreme Soviet Podoprigor. According to the latest information from reliable sources, an influential person from Rosvooruzheniye was brought into the A. Atapina affair...

As I was told in the Udmurtia Organized Crime Administration, a connection has been established between Atapina and the criminal world. With the crime boss whose nickname is Shamil, the deceased Otari Kvantrishvili, and the murdered Izhevsk "Afghanets" Rodionov... How did the criminal world get itself into such a secret and once sealed defense branch? After all, it is well known that that same arms export was closely guided by the KGB.

A well-informed military intelligence officer helped me find the answer to this question. With the start of perestroyka, the intelligence services of the USSR began to actively plant their people in commercial structures. At the same time, along with the agents, they also planted their relatives. The "development" of the authorities of the criminal world was going on simultaneously. At one fine point, two lines—the power ministries and the criminal world—intersected... The criminal world was admitted to secret facilities. The power ministries—to the criminal world.

The arms business, of course, is the most dangerous. First and foremost for the seller.

People were arriving with suitcases of money, demanding weapons immediately. In the morning—the money, and in the evening—the arms. The emissaries of the hot spots were ruthless. Anyone who did not succeed in coming to an agreement got a bullet...

Political Issues

Unions, Ministry Disagree Over May Day Turnout

LD0105162195 Moscow INTERFAX in English 1535 GMT 1 May 95

[FBIS Transcribed Text] Moscow, May 1 (Interfax)—The May 1 marches, rallies and assemblies gathered up to 3 million attendants in 60 cities of Russia, the press office of the Russian Independent Unions' Federation told Interfax referring to information from the sites.

However, the press office of the Russian Interior Ministry said "the real figure is a dozen times less." Information on the number of attendants differs depending whether it comes from unions or the law-enforcement bodies. According to unions, a march and a rally in Yakutsk involved about 30,000 people, while the police said they numbered "over 1,500."

Statistics on the May 1 activities in Moscow also differ as far as the number of attendants is concerned. Unions said about 50,000 people took part in a rally on the Teatralnaya square, while a police officer who had been there told Interfax they were "about 15,000 people."

The unions' press office told Interfax that "virtually everywhere demonstrators demanded the government's resignation and early presidential elections along with economic slogans on the need to repay delayed wages and prevent mass unemployment."

Article Bemoans Noncelebration of May Day

MM0105173095 Moscow SELSKAYA ZHIZN in Russian 29 Apr 95 p 1

[Article by Vladimir Solovyev: "...Happy May Day All the Same!"]

[FBIS Translated Text] You can't help your memory—the closer May Day approaches, the more frequently you recall waking up in a joyful holiday mood on this day a few years ago. I used to live in a block on a road leading to the Kremlin. And so bands would already be playing outside my window at 0600. My son, waking up joyfully, would hurry me, saying: "Let's go out onto the street!" Having hastily eaten something, we would hurry off there, to be there on time, not to miss anything, to see all the marvelous and unusual things.

Holding hands, we stood on the side of the road. Flags and banners in different colors would flutter past, with the words "Peace Labor May" written on them. What was most interesting was the factory convoys in procession. The manufacturers were always inventing something, pushing in carts a globe, for instance, around which they had managed to make a rocket fly, or a working model of some remarkable mechanism.

Each of the convoys would proceed with its own band or accordion players. Everyone sang, not put out by the fact that an amazing cacophony would be created. Which, in fact, did not have any effect on the appetites of the demonstrators, who would from time to time have a bite to eat from the numerous buffets and street vendors on the sidewalks.

The atmosphere on this day would literally make everyone feel dazed and tipsy. This was a real spring festival. The overwhelming majority of people treading joyfully along the roadway did not think about the history of May Day at all. And many people did not even know that at first this day was not a holiday, but a day of sorrow marking the bloody reprisal against the workers of Chicago back at the end of the last century. For the majority, the words "day of solidarity of the working people" became synonymous with the concept of "holiday of the unification of people of labor."

...Today I know for sure that on this day I will not be woken up in the morning either by the blare of an orchestra or by the joyful voice of my son demanding to go to the festival. Although the parliamentarians have confirmed our general right to this festival by their decision, the state machinery has not yet lifted a finger to ensure it.

Essentially, following August 1991, the country kind of found itself in hard times. On the one hand the authorities simply could not repeal all the former holidays. Both a revolution and a coup can be carried out overnight. But you cannot overcome people's psychology and customs like this.

On the other hand, the anti-Soviets and anti-Communists, who were discarding their masks more and more openly, led a frontal attack on everything that was associated in any way whatsoever with the past. They destroyed monuments, renamed streets, removed the relevant books from the libraries. There was practically not a single famous name left which people had previously been proud of. Which they did not try to fling mud at. How much baseness and gibberish was published on the pretext of debunking, unmasking, and so on!

Certain psychologically unwell people have two or three attacks a year. Paranoiacs who believe in the philosophy and logic of "primitive anticommunism" have particularly active attacks on the eve of formerly special dates in the calendar. The flow of garbage on the television screen, the airwaves, and on the pages of newspapers sharply increases. The main aim is to reduce the significance of what was achieved by the Soviet country. There are many reasons for this—ranging from the intention to immortalize what happened in 1991-1993, to a basic desire to justify their own vandalism in some way.

Sometimes I wonder—what has happened to all of us? Why did we relinquish our holidays without a murmur to those who hated them? And this is the conclusion I came to. We have always been very trustful. The centuries-old history of Rus has shown us with rare exceptions that in such an enormous multiethnic state the central authorities have always been a pivot unifying everyone. And this acted in our own interests.

Yes, we could tell stories about our leaders, but we intuitively trusted the state as a supreme authority. As a force cementing us all together. And therefore we found ourselves naive and blind at a time when people whose aim was the destruction of the state itself came to power. It seemed to us that collective reason would bring the best people to the top posts. Of course mistakes are made, but after all, the collective reason, which will always put them right, remains.

Alas, we simply did not imagine that the scale of the betrayal would be so great. That the posts in the leadership would be given out left and right on the basis of the principles of personal loyalty rather than suitability for state service.

It is a harsh irony of fate. Today you can literally count on your fingers the former members of the all-powerful Politburo who have not retracted their words and who have not started saying "To be frank, I never properly understood what Communism was." If you work it out arithmetically, the overwhelming majority of the Politburo were either outright anti-Communists or people who had little idea about anything. Their actions were the specific reason for the tragedy that befell the whole country. It was the actions of these betrayers that millions of ordinary Communists were blamed for.

The maneuver was checked out in a jesuitic manner. After all, this Politburo was actually (though formally) elected by the party. But the party, ashamed by the betrayal of the leaders, was doomed to confusion. And this means that it was not able to protect itself and the country.

And that is in fact how it happened. The only force in which the people believed found itself paralyzed. Everyone was in a state of shock. Against this backdrop, the trifling stratum of direct enemies of the USSR was able to seize key posts. Admittedly, during the first phase, realizing their own weakness, they camouflaged themselves beneath all kinds of fine phrases. At the same time they were literally digging up the earth, trying to extend their support base. Many people were muddled by this.

I will not hide the fact that a very strange association frequently haunts me. Since Russia is often put in the feminine form, it always seems to me that this beautiful girl has been attacked by rapists. Exploiting her confusion, they did their black deed. And now they are just afraid of one thing—that she may suddenly get rid of her fear and complexes and suddenly demand a fair trial against those who encroached on her honor and dignity!?

I believe that there will be such a trial no matter what threats and actions of intimidation the violators may resort to. We do not need the things being imposed on us any more than a sheepdog needs false teeth. Russia is already doomed to socialism, because of the communal nature of its history. Life is showing us this every day, with thousands of cases of the destruction of the pseudoreformers' new impractical schemes.

I believe that one day the time will come when people will again be woken up by orchestras on May Day. I do not know, reader, whether we will still be alive then, but that day will nevertheless come. Russia has endured a great deal, and it knows how to endure. Remember the entire centuries of rule by the Mongolian Tatars. And nevertheless we still overcame them!

And another thought in connection with the upcoming holiday. This is for those who are capable of taking it:

"Peasants! Back in the previous century, ordinary hard workers used to unite so that no parasite could sleep easily. Normal workers suddenly realized their own significance and started protecting their dignity, and they became a real force, which the governments of half the world started reckoning with. After all, it is no accident that this day has been declared the holiday of labor in half of the world, even though this is sometimes just a formality. So what is happening to us in the land of victorious labor?! Is it possible that we will not find the strength to unite, stand in rallied ranks, and demand what is justly ours? Let us cast away differences of opinion, let us unite! If only so that our children do not have to know the dirt into which we have been plunged.

"...I would very much like to believe in this, and as a normal Russian peasant, I will raise a toast to this on May Day. I do not care what the radio and television say—let them talk nonsense. But we know that we have one truth—we must cross this abyss of hard times, and preserve ourselves as individuals and as a people. we must learn to keep our holidays in our souls, always, irrespective of the circumstances."

Ilyukhin Blames Security Risks on Leadership

MM0105135495 Moscow MOSKOVSKAYA PRAVDA in Russian 29 Apr 95 pp 1, 7

[Interview with Viktor Ilyukhin, chairman of the State Duma Security Committee, by Oleg Zhirnov; place and date not given: "The State of National Security Is Critical"]

[FBIS Translated Text] [Zhirnov] Viktor Ivanovich, what specific problems is your committee concerned with?

[Ilyukhin] First—in conjunction with the Security Council, the Federation Council, ministries, and departments—attempting to create a national security concept for the country. It is an intractable problem: We will not have create a concept within two years. A whole sector of our activity is linked with preserving the unity and territorial integrity of the state; this involves laws on the border and others. Then there is the functioning of the special services and law-enforcement agencies. This involves a law on the Federal Security Service, additions and amendments to the Criminal Code, a law on additions and amendments to investigative activity. The next area is economic security: attempting to formulate a draft law to regulate the extraction of precious metals and strategic raw materials. A big area involves legislative acts linked with stepping up the fight against crime. There are also other areas, The problem is to link these "pieces" together and also to sound the alarm and show society just what the state of our security is.

[Zhirnov] And how do you assess it?

[Ilyukhin] As critical. Without state borders and with an unclear socioeconomic system and a Constitution adopted by a minority of the population, Russia has become vulnerable in every respect. Throughout recent years an anti-national policy aimed at the disintegration of the most important state institutions—the Army, the intelligence and counterintelligence services, foreign policy institutions, the defense complex—has been pursued. Defense capability and national interests as a whole have been damaged by overhasty privatization, the concept for which was developed with the participation of foreign specialists. Natural resources could end up under the control of foreign states, which would result in the loss of our state sovereignty. The country is doomed to extinction, and crime is rampant. The government and the president are incapable of protecting their own people.

[Zhirnov] Is this your personal view or the view of the committee as a whole?

[Ilyukhin] We have not discussed this problem in detail in committee. But we are currently preparing for discussion of some aspects of national security at a Duma plenary session in May. I have asked every team—meaning deputies and experts in the sectors in question—to prepare materials. These materials are couched in the same terms. I can therefore say that most deputies share this viewpoint.

[Zhirnov] What then is the way to restore security? The logic of your attitude suggests a change of power and of the Constitution too.

[Ilyukhin] Today everybody in Russia realizes that this course must be changed. The president and the government do not want to change it. So these two teams must be changed. Today political power is detrimental to Russia's security.

As for the Constitution, a submission to the Constitutional Court questioning its validity has been prepared by my committee. I will analyze just the legal aspect. The principle of the separation of powers is enshrined in Article 10 of Section 1 of the Fundamental Law. Article 16 states: No subsequent provision must contradict Section 1. But Sections 4 and 5 of the Constitution state that the Federation Council consists half of kray and oblast heads and republic presidents. This undermines the representative branch. And to which branch of power does the Russian Federation president belong? If he stands above everybody and performs coordination functions, why does he form the executive and judicial branches? It is on these contradictions that I predicate the question of the invalidity of this Constitution. These is not theory but a question relating to the normal functioning of the state machine. A result of this is that the Federation Council sends back to the State Duma four out of every five laws which it adopts. The elections in Tatarstan and Bashkortostan showed that representatives of the executive are getting into legislative assemblies. Everything has gotten all mixed up....

I will try to persuade deputies to get the Duma to vote for the submission. And I will get 90 or so votes. So it will be possible to check whether the Constitutional Court has—I apologize for using the term—"an ax to grind."

[Zhirnov] But the best-known of your initiatives—the idea of creating a medical commission to screen top officials—did not get much of a welcome in the Duma....

[Ilyukhin] The medical commission got 160 votes. We didn't say a great deal about the need for one and did not convince everyone. I make no secret of the fact that the proposal was prepared with both the present and future presidents in mind. Look at the current "contenders": I, for one, have doubts about the physical and mental fitness of some of them.

[Zhirnov] You don't want to name names?

[Ilyukhin] Everybody knows very well who of us plays the clown. Before you let a pilot take the controls you always check him out. This is even a problem for countries with established democracies. The Americans now admit that Bush and Reagan were very sick toward the end of their careers.

[Zhirnov] The subject of "sick presidents" inevitably gives rise to the question of the notorious "black briefcase." According to your information, who in our country has access to it?

[Ilyukhin] It does not play a big part in launching missiles. All that stuff is rubbish. That is not where all the secrets are. Even if you have this briefcase you can't launch the missiles. There are several other protection systems and guarantees.

[Zhirnov] You once proposed to the State Duma that a constitutional commission be created....

[Ilyukhin] I would propose the same thing now. In general I believe that the Duma has not gotten its priorities sorted since day one and is drowning in a sea of minor issues. Three matters should have been sorted out right from the beginning: ownership and privatization; state structure and the constitution; and economic reform policy. When we examine virtually any draft law today we come up against these three questions. And I am not confident that the laws which get adopted will work, because the main questions have not been resolved. In this connection I say: The Duma should create a constitutional commission and work on drafting a new constitution. Because the current one has no authority. It was adopted by less than one-third of the population with the right to vote. And it is adventurism to build the entire system of state structure and economic reforms on this constitutional basis....

[Zhirnov] That is, while standing guard over state security you are not standing guard over the constitutional structure?

[Ilyukhin] The main thing for me is the security issue. And this Constitution does not make it possible to effect this security and maintain it at the requisite level. That is the tragedy of the situation.

[Zhirnov] Do you see the possibility of any nonconstitutional development of events in the country?

[Ilyukhin] I have already stated that the question of postponing the elections is being worked on in presidential structures. There are soft and hard-line options. The soft option involves not adopting the legislative base for elections and attempting to "sideline" the Duma here. And then the president would say: The Federal Assembly has failed to deliver, and I cannot allow elections to be held on the basis of edicts again—they must be postponed. A second soft option involves holding a referendum. This is being worked on. And a third involves persuading the Duma to vote for an extension of both its own and the president's term of office. He has an interest in this, you see. And the hard-line option involves creating a state of mass disorder in several regions, introducing a state of emergency, and again saying: It is impossible to hold elections in such conditions.

[Zhirnov] But these arguments are at the level of scenarios and predictions. Do you, as chairman of the Security Committee, have specific information?

[Ilyukhin] I can say that these questions are being discussed at the highest level. An instruction to work on them was given to a number of ministries and departments today. The instruction is to work out how the population would react to Yeltsin putting forward his candidacy for a second term. An order has been given to ascertain how it would react to the disbandment of the Duma. An instruction has been given to ascertain how the population would react to an extension to the president's term of office. This is not a prediction but an attempt at practical problem-solving. These questions are currently being worked on by the Ministry of Justice, the Federal Security Service, the Main Protection Directorate, and Korzhakov's service.

[Zhirnov] Is the problem of fascism, which is currently being given such a high profile, a threat to the state's security?

[Ilyukhin] There is no threat of fascism in Russia. But we are currently on the eve of elections. Combating fascism could be used as a screen for imposing a ban on the activity of a number of parties and movements and excluding a big stratum of the population from the formation of power. This is a pretext for starting a political game linked with the formation of power.

The actual presidential edict on fascism is vacuous and contradictory. It tells the Russian Academy of Sciences: Explain to me what fascism it. So how can you ban something of which you have no notion? These are ravings, and I'm not afraid to use the word. The concept of "fueling national strife" has reportedly not been woprked out. So let's take the materials of USSR Supreme Court plenums, where it was all worked out long ago. These materials once formed the basis for bringing criminal charges against dozens of people for fueling national strife.

[Zhirnov] Is this campaign not directed against the Russian and Russian-speaking population in some places?

[Ilyukhin] Yes, to a certain extent this is the case. There is a group of people close to the president who totally dislike the word "Russian." And any attempt by the Russian community to raise its voice and assert its individuality or state that the Russians are the masters of this country gives rise to level of rejection which represents an overreaction. Look at what precedes any radical edict from the presidential: a meeting with "the public." And after every such meeting you get either the shooting up of the White House, or the war in Chechnya, or, as now, a fight against fascism.

[Zhirnov] But are there people of the opposite persuasion in the president's entourage?

[Ilyukhin] I think so. You can also see something of a strengthening of their position—but not a radical strengthening which would change the actual president's views. And I fear that this will never happen. Too many commitments have been made both within the country and abroad.... Take the "presidential candle-lighting"—apparently an attempt to boost the authority of the orthodox faith. But this is followed by measures retarding and muffling this faith.

[Zhirnov] The war in Chechnya is now being presented as a manifestation of the president's "patriotism...."

[Ilyukhin] I see it a different way. Two criminal regimes are fighting in Chechnya. The Chechen criminal regime was made in Moscow. And the main factor there is not some kind of ethnic problems or the preservation of territorial integrity. This war will cause more harm to Russia's security and territorial integrity than if it had not happened. The bloody wounds will not be quick to heal, and the result will be that for a long time people there will look here, to the center, with hatred. It was to somebody's advantage to set us against Islam. The war in Chechnya is bound to be exploited by all other states around the perimeter of Russia. And, strange as it may seem, Japan could lead the field. The territorial question remains open....

[Zhirnov] With whom do you cooperate when preparing committee documents; on which expert, scientific, and social forces do you rely?

[Ilyukhin] We have held joint "roundtables" with the "RAO- Corporation," for one; and with the think tank [avtorskiy kollektiv] headed by Mitrokhin.... Very recently I received a group of academics and military people who are proposing that a draft law be elaborated on countering and resisting foreign states' technical intelligence services.... There is a constant stream of visitors to this office....

[Zhirnov] And what kind of relations do you have with the leadership of executive power structures, whose sphere of activity is your baby?

[Ilyukhin] I have a fine relationship with the leaders of the foreign intelligence service, the leadership of the Federal Security Service, prosecution office officials, and also the Supreme Court. I have more tense relations with the Ministry of Internal Affairs, although we resolve many problems in that department's interest. The law on fire safety, for example, was adopted quickly. We also have contacts with them. We are currently working on amendments and additions to the law on the prosecution service and investigative activity. I understand the problems of the corrective labor system. We meet with understanding at the level of deputy ministers of internal affairs. And they have a respectful attitude toward the committee. This year we gave substantial support to the foreign intelligence service in the financial respect—during the discussion of the budget. We have supported the border guard troops....

[Zhirnov] But you do not support the growth of Ministry of Internal Affairs structures?

[Ilyukhin] No. I believe that substantial reequipping and strengthening of the internal troops is already taking place without sufficient need. Regardless of the requirements of the fight against crime. I am convinced that the strengthening of the internal troops is a solution to the question of the president and the current ministers and government retaining power. I can firmly state that this does not stem from the requirements of the life of society and the state. Regional-level gendarme regiments are currently being created in our country. I know that for every two- three oblasts there will be one regiment which will carry out you know what kind of suppressive functions in the event of widespread protest by the population. If they realize that they are rejected by the people, people in power with a conscience should themselves go....

Security Chiefs Seen Vying for Top Post

MM0105132095 Moscow SEGODNYA in Russian 29 Apr 95 p 2

[Article by Vera Selivanova: "A New Division of the Special Territory. Post-Chekist Organizations Fight for KGB Rank"]

[FBIS Translated Text] Following the recent item in SEGODNYA (No. 71, 18 April) on the new achievements of FAPSI [Federal Government Communications and Information Agency], our colleagues have begun to go into this topic, which had been more or less forgotten for a year. In particular, there was an extremely interesting article by Vasiliy Kononenko, "Who Is 'Keeping Tabs' on Whom in Russia?" (IZVESTIYA No. 77, 26 April), based in part on an interview with FAPSI Director Aleksandr Starovoytov.

A recurrent theme in the article (as well as in many of the statements made in the past year by FAPSI's staffers and popularizers) is the subject of the NSA—the U.S. National Security Agency, which is concerned with electronic intelligence and counterintelligence. It is claimed that FAPSI is not simply analogous to that very powerful special service, but in some respects even surpasses it (in particular, mention is made of the great achievements of cryptographers, the reliable special communications system, etc.). There are also cautious hints (citing an unnamed high-ranking interlocutor in shoulder boards who is somehow not quite identified with General Starovoytov) that all the accusations leveled at the intelligent and civilized FAPSI concerning the bugging of Kremlin offices should be redirected to quite different organizations, namely the services headed by Generals Korzhakov [Presidential Security Service] and Barsukov [Kremlin Main Protection Directorate, GUO].

Admittedly, a small distinction should be made here. The cryptographers and certain leaders of the NSA who are concerned with the same matters as Gen. Starovoytov, unlike their Russian colleagues, are not only prohibited from advertising their achievements in the press; it is regarded as a natural consequence of the very nature of their work that nobody should know their names or their appearances.

There are more serious matters too. First, an explanation is needed of press reports (in 1992) that U.S. specialists' predictions on the development of the political situation in Russia were based on transcripts of the top people's telephone conversations—and this is in the context of the FAPSI organs' constant concern with electronic protection. Second, it is not quite clear how, in the context of the all but paranoid regime of secrecy that has been established in and around the Kremlin—so that any leaks of internal information are rigorously controlled—the most "internal" information of all came to be at the disposal of Dudayev's supporters, as has repeatedly been reported.

Certain other things are also hard to understand. For instance, Mr. Kononenko's account of FAPSI refers to activities relating to the collection of information on the production of precious metals, the storage of precious stones, etc., that is, information that is subject to regular official publication (given that the country's solvency, to put it bluntly, is assessed on the basis of these data). And unless it is a question of creating a statewide system of double bookkeeping, why involve the secret agents in collecting this information? Certain entirely personal points of emphasis are also surprising. For instance, the IZVESTIYA article particularly emphasizes Gen. Starovoytov's military provenance and his adherence to the traditions of the Russian officer. Even if we set aside the fact that the traditions of the Russian officer have always included an extremely cautious attitude toward "blue uniforms," something else must be recalled: Only a year ago, in refuting the conjectures by a number of authors on FAPSI's supposedly chekist character, Mr. Klimov from ROSSIYSKAYA GAZETA presented Mr. Starovoytov to the public exclusively as a "doctor of technical sciences and a professor" (and not a KGB general at all).

There are certain other motifs that also do not fit into the "intelligence-counterintelligence" scheme of things. Thus, in early March, curious rumors reached Paris—where I was at the time—from Munich, where, it was claimed, a prestigious delegation from the "Russian NSA" headed by Mr. Starovoytov himself and several of his deputies had arrived for the Ce-Bit exhibition. FAPSI, certain malicious tongues assert, has the right autonomously to issue foreign-travel passports to its staffers, and makes very active use of that right (in the past year, according to these same tongues, several thousand agency staffers visited Germany alone). The purpose, in fact, is perfectly obvious—fruitful and mutually beneficial cooperation is under way with firms like Siemens, and contracts worth some half a billion marks in total are being realized. One such contact is designed to provide technical support for the "special 98th digital district" project which I mentioned in an earlier article.

Let us explain that this is a question of setting up an "optical ring" embracing the central section of Moscow. Certain specialists are turning the story into a kind of thriller, saying that the project virtually amounts to the creation of a single super-switchboard under FAPSI's control, through which not only government officials, but ordinary Muscovites foolish enough to live in the prestigious center would be forced to pass in order to make contact with the rest of the world. They also say that the basic component of the project—an exchange designed for 10,000 numbers—will, in the course of its incorporation in the plan for the 98th district, be cut to 6,000 numbers per exchange and will be switched in like an office system. The only technological task that would make all this necessary is—how can I phrase it politely—the task of facilitating access to telephone information for a large number of servicing personnel.

How can all this, put together, be explained—the "professional cryptographers'" unusual international commercial activeness and their mass purchase, for the needs of the electronic special service, of Western technology which is hardly notable for its high degree of spy-proofing? The idea of accusing FAPSI of "protecting the interests of foreign special services" is far from our minds. What we have here is more likely to be something else.

Many worthy and respected firms concerned with problems of communication and information protection have a long history of collaboration with FAPSI's predecessors. Foreign technology was installed in the Kremlin back in the days of Lenin and Stalin, when the system of internal hot lines was only just being set up. In those distant times also there was not much to stand in the way of mutually advantageous Russian-German technical cooperation: After all, the technology was needed not for combating espionage, but for protection against your own people and to facilitate access to your comrades' telephone conversations.

All the points, questions, and obscurities enumerated above are not of "perfidious foreign," but purely domestic, origin. Of course, the somehow less than absolute competence of the "Russian NSA" is a typical trait of a Soviet special service. But the most important thing is not the slipshod, unprofessional attitude of the department's staffers. It is simply that the tasks that they set themselves and that they tackle (very competently) are very different tasks from electronic intelligence and counterintelligence.

FAPSI was and is a chekist organization oriented first and foremost toward protecting the state's interests not against the "external enemy," but the enemy within, which, given the right approach, turns out to be the entire population of the country. The fact that the situation with regard to FAPSI has become somewhat more acute and topical today is due to the radical changes that are looming for the entire system of security organs in Russia.

The law on the Federal Security Service [FSB] which is coming into force does not, as can easily be imagined, merely amount to the substitution of one word [Security] for another [Counterintelligence]. The FSB's functions are in principle laid down in the law in such a way as to imply the possibility of a broad interpretation. In particular, certain functions of FAPSI, the SVR [Foreign Intelligence Service], and the GUO might be transferred to the FSB's jurisdiction (or then again, they might not). It is interesting, however, that the new system has prompted no protest from all the fragments of the former KGB. And this is for the obvious reason that the special services' main leaders are laying claim today to the recreation of the new-old KGB under their own leadership. A new redivision of the "special territory" is looming, and in the process the question that is being substantively decided is: Will chekism be restored in

Russia in its original form, or will it after all be weakened by the multiplicity of special services and their orientation not only against the peaceful population, but also against criminals and spies?

But in the meantime the former state security organizations are fighting for the top place, using the full range of political and market mechanisms. Along with the aforementioned articles about FAPSI, people have been instigated to write a whole series of articles aimed at the veiled advertising (or, conversely, anti-advertising) of the activity of various special services. The KGB Doctor of Sciences Starovoytov is declared to be a "fighting general" (rumor has it that in the final choice of candidate for the post of FSB director, priority is to be given to a "military man"). As a result of various efforts by his rivals, this same Mr. Starovoytov is refused the rank of army general (which would considerably facilitate his path to the FSB directorship). FSK [Federal Counterintelligence Service] organizations are depicted—less than convincingly—as defenders of democracy against the threatened omnipotence of Gen. Korzhakov's service. Gen. Korzhakov is presented as the main campaigner against corruption in Rosvooruzheniye, or, according to reports in some of the newspapers, as one of those involved in the corruption.

All the indications are that the redivision of the special territory has substantially changed the correlation of forces and the collaboration among its main characters. Approximately a year ago a dramatic strengthening of FAPSI's position (the elimination of the rival civilian organization—the information resources administration; the seizing of control of the computerization of all the organs of power, etc;) was the result of the establishment of a kind of "political alliance" between Mr. Starovoytov on the one hand and the "Korzhakov-Barsukov" tandem on the other. Mr. Korzhakov—Viktor Barannikov's old adversary and the counterweight to Barannikov's Security Ministry in the president's entourage—was, it is claimed, forced to find some wider-reaching organization to help ensure the growth of the influence of his own small elite service. The FSK could not provide that support—Mr. Stepashin is regarded as Mr. Filatov's creature (which obviously did not suit Mr. Korzhakov).

Today, our Kremlin informers assert, the alliance between Messrs. Korzhakov and Starovoytov is cracking up. Gen. Korzhakov's ideology—the ideology of the "Praetorian Guard"—does not allow for all the special services to be united into one. The chief of the Presidential Security Service would prefer to keep several special services with differing missions (maybe as part of civilian ministries, on the U.S. pattern), while the Presidential Security Service itself would retain the status of an elite service, relatively small, and coordinating (controlling) the work of the others. Here Mr. Korzhakov is opposed by virtually all the other special services—FAPSI, the FSK-FSB, certain activists in the General Staff GRU [Main Intelligence Directorate], and maybe even the GUO—which seek the restoration of the traditional chekist status quo, preferably within the framework of their own organizations.

One way or another, the analysts remain perplexed for the present. In the context of the approaching election campaign, under cover of much-publicized political and economic events, absolutely uncontrolled by democratic mechanisms of any kind, and behind the backs of the population, a question is being decided that is, in fact, very important to that population—whether the state security system will become a system of state protection of citizens' security or whether it will gain strength and remain a system for the protection of the state against all citizens together and each of them individually. Here, unfortunately, the future of the argument cannot be gloomily committed to providence as interpreted by Ivan Karamazov, saying that one reptile will eat the other reptiles and that's the end of it. Because, having eaten them up, it—whichever one it is—will most likely turn on everything edible in the vicinity that smells of human flesh.

Listening Device Proliferation Detailed

954F2144A Moscow LITERATURNAYA GAZETA in Russian No 16, 19 Apr 95 p 13

[Article by Nikita Sorokin, special correspondent for LITERATURNAYA GAZETA: "Could Dudayev Listen In on Stepashin? 'Bugs,' Once the Secret Monopoly of the KGB, Can Now Simply Be Bought at the Personal Property Market"]

[FBIS Translated Text] By just one small firm specializing in interbank espionage, more than 30 different listening devices were found and deactivated in the first three months of 1995 in several Moscow banks. For some years past, our special services have irrevocably lost their very powerful monopoly of days gone by on the use of listening devices. The rapid growth in the number of banks, finance corporations, and other private commercial structures, and the development of rival criminal groupings, have inevitably led to the emergence of industrial, interbank, and, let us put it this way, criminal espionage. The requirements of the "new Russians," to which our country was previously unaccustomed, have turned out to be very easy to satisfy—former officers of the KGB technical section, workers at collapsed secret scientific research institutions, and just enterprising guys quickly organized into firms specializing in technical espionage or protection against it. Most of the people working at such firms are professionals of the highest caliber, and as far as special equipment goes, there is absolutely no problem there—everything necessary is brought in from abroad, and is sold in a wide assortment in specialized stores. It is very interesting that this spy business is not officially permitted, but it is also not prohibited. In Russian legislature there exist only the nonsensical statutes on the legality of the use of listening apparatuses by the special services and law and order organs. Nothing is said about private persons and enterprises. Naturally, given the presence of such a free legislative space, everyone who was not too lazy to do so joyfully rushed into espionage.

The clientele of the above-mentioned firms is stable, and not marked by any particular variety. Basically, these are the information protection departments of banks and large companies, and also bandits. Industrial espionage as such is still developing rather unsuccessfully in Russia, in view of the well-known distinguishing feature of today's economy—few people are producers, but then, everybody buys things up and resells them. But banks spy recklessly on one another, on their depositors, and on their investment media. The bandits attentively follow the activity of the clients of their "front establishments."

In the words of an officer of the Amulet security firm, organized crime most widely uses all the achievements of technological espionage, starting with setting up the simplest "bug" for a specific person and ending with the combination of a listening with an explosive device—the discovered bug, in a directed blast, kills or maims the person attempting to dislodge it. Incidentally, practically all intelligence services have almost always held to one of the rules of the distinctive spy code—listen and watch, but do not kill in such a base way. For the liquidation of one's subject, as is known, there exist more "humane" means.

The Amulet officer also told us about still another type of service rendered by related firms—"love," or family, espionage. Since peering or listening through the keyhole with the aid of civilized methods is quite an expensive pleasure, only well-set-up people can afford it. This LITERATURNAYA GAZETA correspondent was fortunate enough to get a chance to observe as specialists lovingly extracted into the light of day a very expensive, top-class listening device installed in a chic Volvo. The owner of the automobile, with the appropriate assistance from the professionals, soon discovered the receiving device in the car of his jealous wife.

It must be said in general that these guys' work, listening in and taking out devices that listen in, entails a lot of risk. It is not even so much a matter of the exploding bugs as it is of the seriousness of the information that accumulates in the process of carrying out an order.

Here is what I was told by the owner of a St. Petersburg security firm: "We could clarify a lot in the course of the investigation of certain murders for hire. For instance, in January a client came to see me—a bandit—and explained to what address and at what date the bug had to be installed. We checked out the place—the office of a small firm. We met again, and the client paid 2,000 greenbacks in cash. And in a month the owner of that firm was rubbed out—bombed. We know approximately who did it and why. But we cannot talk about this—business relations with clients are based on mutual trust, on preserving the secrets of the identity of the client and the nature of his order."

So what—it's cynical—wholly in the spirit of the times. But it is obvious that among spy firms there exist certain differences. Those that collaborate with banking structures very seldom work with criminal ones. And there are those that work only with bandits. As a rule, the "clean" security firms are on rather good terms with the law enforcement organs.

It is fairly complicated to speak about the cost of spy services—the price spread for them and for the equipment is very great. It is possible to buy a simple bug and a consultation on how to use it, or one can order a lengthy, professionally planned operation with round-the-clock monitoring, making use of the firm's personnel. Generally, such orders come from large companies and have as their goal tracking the connections of the subject at the most various levels. The cost of such a large-scale investigation of a competitor can go into the tens of thousands of dollars. Orders for searching out and discovering a listening apparatus will cost a client approximately as much as the installation thereof—depending on the quality and amount of the work.

As one of the heads of the Amulet firm, A. Gorin—a KGB officer in the recent past—testifies, underground espionage has taken on such a scale that has easily outstripped the operations of the renowned Soviet special service in the best periods of its heyday. It will be no surprise if it suddenly transpires that during the duration of the Chechen war, Dudayev's people were listening under the windows of the apartments of the best minister of defense, listening to his conversations with counterintelligence director Stepashin, or that future presidential candidate Vladimir Volfovich were up on the most intimate points in the conversations of the current president with the loyal head of his personal guard.

By the way, if anyone would like to listen in on his neighbor or to find out the upcoming plans of his boss at work, I have good news for him: At the personal property markets in Moscow, in the radio and electronics departments, bugs that are inexpensive and simple to use are being sold freely. Buy one and listen to your heart's content.

Emergence of 'Two-Party System' Viewed

MM0105174795 Moscow ROSSIYSKAYA GAZETA in Russian 28 Apr 95 First Edition pp 1, 2

[Article by Mikhail Gurevich: "Remedy for Extremism. Two-Party System Being Formed in Russia"]

[FBIS Translated Text] Although political organizations and all kinds of parties, blocs, and other public associations are emerging practically every day here and the ordinary citizen has long ago lost count, the recent news about the formation of two electoral movements—let us for the moment call them the "Chernomyrdin bloc" and the "Rybkin bloc"—has nevertheless excited the keenest of interest within political circles. It can be assumed with a fair degree of certainty that the formation and activities of these associations will be one of the most important topics in Russian life in the time left before the elections.

According to information received by a ROSSIYSKAYA GAZETA correspondent from activists of a "Chernomyrdin bloc" action group, more than 100 State Duma deputies have expressed a desire to join this association, including the "Stability" group, representatives of the "New Regional Policy" and Party of Russian Unity and Accord [PRES] factions, and the majority of the "Rossiya" group of deputies. PRES is again ready to cooperate at party level, as are many members of "Russia's Democratic Choice" and the Democratic Party of Russia, which is still sometimes called "Travkin's party" from habit (its founder, Nikolay Travkin, will soon mark his first year in the Cabinet of Ministers).

The myth that the "Chernomyrdin bloc" is, as they claim, being founded on the basis of PRES is being blown out of all proportions in several of the mass media. This does not, of course, correspond to reality. The bloc is founded on common sense.

According our information, local administration heads are showing great interest in this bloc inasmuch as the bloc quite naturally draws support from the regions, the regional organs of executive power, and the regional industrial and financial elite.

The following state of affairs is in general terms developing. Premier Viktor Chernomyrdin and Vice Premier Nikolay Yegorov are "oriented" toward the administration heads. First Vice Premier Oleg Soskovets is "oriented" toward industry and the sector heads. As the principles of common sense which, evidently, will be emblazoned on the bloc's banner are entirely based on the market, and First Vice Premier Anatoliy Chubays and Vice Premier Yuriy Yarov, who at the last election stood for "Russia's Choice," are among the members of the association being formed, then we must assume that representatives of Russian business will also not keep us waiting for long.

Incidentally, Aleksandr Livshits, the Russian Federation president's aide for economic questions, confirmed this yesterday. In his view , the "Chernomyrdin bloc" will find its support among the class of proprietors (while the "Rybkin bloc," more about which later, will be supported by hired labor).

A number of youth and sports movements are also participating in the bloc. "Rosugol" Company Leader Yuriy Malyshev does not rule out the possibility of the "Miners of Russia" movement joining the bloc. Malyshev noted: Many miners realize that the government is trying to bring about a real improvement in the situation in the sector.

The new association, its organizers say, is in principle ready to accept any political associations (even those which are active only within central Moscow—and there are many of them) which support and share the Russian Government's state and economic policy, including those principles which were defined at the most recent enlarged session of the Cabinet of Ministers.

It is planned that the organization's constituent congress will be held immediately after the May holidays.

The new bloc's founders should have no fear of charges made by their detractors: The final shaping of the notorious "party of power" is, they say, taking place at the highest level. There are, of course, certain figures here for whom everything emanating from the authorities elicits a deliberate negative reaction.

However, it is absolutely clear to level-headed people that it is already time to organize our lives without any revolutions, conspiracies, or other shocks. According to Chernomyrdin himself, it is necessary for the future State Duma to continue pursuing a course of reform. But for this course to be implemented, fine-sounding declarations of love for the reforms are not enough on their own. A certain skill and people possessing this skill are essential. All this is available in our country and it should not be pushed aside. Let us recall how many politicians, who got into power on a wave of popular emotion at the end of perestroyka and who were not suited to work in the cabinet, could literally not apply themselves to anything.

Russian President Boris Yeltsin, in welcoming Chernomyrdin's initiative, noted: "I would very much like to think that Russians can see that professionalism and experience are far more important than irresponsible rhetoric."

The completion of the organization of yet another bloc is set for May. We have learned that the "Rybkin bloc" will incorporate the Federation of Independent Trade Unions of Russia, the Social Democratic Union led by Vasiliy Lipitskiy, the Socialist Party of Working People, the "Union of Realists," and parliamentary deputies from "Women of Russia" and "Rossiya." A link with veterans' organizations and several public charitable movements is possible.

According to information in the possession of ROSSIYSKAYA GAZETA, Ivan Rybkin intends to conduct talks with Agrarian Party of Russia [APR] Leader Mikhail Lapshin, on the topic of the APR joining the bloc he is forming. I should remind you that Rybkin himself got into the Duma on an Agrarian Party ticket and is aware of the fairly rigid views held by the "agrarians." It is also assumed that the Agrarian Union, the Council of Kolkhozes, and the Agrarian Trade Union will participate.

So, we are witnessing the birth of some impressive electoral associations. The first is liberal-conservative, the second is social-democratic in orientation. In other words, the first step has been taken along the path toward the normal structuring of society and the creation of a two-party system, which—with various provisos and adjustments—works effectively in many countries in the world.

Judge for yourselves: If the number of registered political associations in Russia approaches as many as 300, then you cannot seriously speak of normal elections. The overwhelming majority of people running in the election campaign will not succeed in getting the necessary 5 percent of votes and the newly elected Duma will still be unable to function.

The aims of the authors of the new scheme for the elections are clear. The best possible situation would be if two blocs—a right-of-center bloc and a left-of-center bloc, divested of extreme right- and left-wing elements—competed with one another. Let us assume that the "Chernomyrdin bloc" "picks up " the vote of a section of radical democrats; then the "Rybkin bloc" will gain that of the supporters of the "pink" opposition. (I must point out that Rybkin rejects cooperation with those who are "getting lost in the jungle of nationalism.")

Meeting yesterday with journalists, Rybkin expressed the assumption that if circumstances are favorable, in other words if there are no quarrels between the leaders, the two blocs are capable of gaining a total of around 67 percent of the vote.

The associations being formed are, of course, not homogeneous—they contain representatives of the widest range of political spectrums and social strata. Disputes and discussions are, of course, possible (experience shows that it is not only democrats but also Communists who cannot these days come to an agreement with one another). But participants in the new political initiative clearly realize that it is necessary not to harp upon differences of opinion but to search for points of contact. (This concerns not only the blocs' "wings" bit also the blocs themselves as wholes.)

For example, "Russia's Democratic Choice" leader Yegor Gaydar who, unlike, say, Yavlinskiy, is prepared to engage in dialogue, stated that he is prepared to cooperate with the "Chernomyrdin bloc" and his party supports the current government program.

But with which side does Boris Yeltsin sympathize? Meeting in the Kremlin with deputies from "Stability," the president said: "I'm with you."

The "Stability" group, as we know, belongs to the "Chernomyrdin bloc." Whose aim, according to the premier himself, is, first, "not to give any extremists an opportunity to win the elections," and, second, "to get an opportunity to form an effective government, with majority support in the Duma."

Vote for 'Sober, Moderate' Center Urged

MM0105150095 Moscow KRASNAYA ZVEZDA in Russian 29 Apr 95 p 2

[Article by Aleksandr Golts: "Power Parties or Parties of Common Sense?"]

[FBIS Translated Text] Viktor Chernomyrdin's statement regarding his intention of creating a right-centrist election bloc and Boris Yeltsin's statement that another bloc—left-centrist—will be set up under the leadership of Ivan Rybkin literally caused an uproar in Russian political life this week. Many leaders of existing parties which were relying with some confidence on support from various groups of voters were clearly worried: Parties have appeared on the horizon that may lay claim to both the liberal and conservative sections of the electorate. And the newspapers were awash with fairly sarcastic articles saying that "the party of power intends to retain that power."

In actual fact what is happening looks at first glance like another attempt to merely impart a democratic form to the established system of government. However, despite the fact that in this situation we are of course seeing every politician's natural desire to preserve the power he has won, in my view other elements - - of greater importance to the ordinary citizen—are also making themselves felt here.

First let us point out that the latest decisions, no matter how you view them, end all the speculation as to whether the Kremlin intends to postpone the elections. Since leading representatives of these very authorities are forming election blocs, that can only mean one thing: The Rubicon has been crossed. And that is very important for Russia, which must finally have a normal system for the renewal of the state authorities, rather than one based on force majeure. And the determination to hold elections has a cost in this context.

The second extremely important fact is that evidently the supreme state leaders are not only paying lip service to the idea but actually believe that economic stabilization, followed by some prosperity, is near at hand. After all, in one way or another the elections will be a referendum of confidence in the incumbent government. Moreover, there is no other scenario in a democratic state. To evade the ballot box on the grounds of growing economic difficulties would be tantamount to fictionalizing the slogans about democracy. And both Viktor Chernomoyrdin and Ivan Rybkin are supremely sober-minded people.

There is another consideration. It is quite clear today that it is not only the parliament and the axis of vertical executive power that are in need of renewal. The whole political landscape must be renewed in order for the country to advance. Because as of right now it has been eroded. Those who do nonetheless stand out against this backdrop do not as yet elicit any particular confidence. Some people are prepared to reorganize everything again if they come to power. But there are fears that the country simply cannot stand another reorganization.

There are others who have "come" to power in some capacity or other in recent years. And, no matter how you look at it, have failed to display the qualities necessary to lead Russia (let us leave the reasons out of the equation). Moreover they are now plunged in interminable wrangling, demonstrating everything but an ability to organize themselves. This case seems to be clinical and incurable.

In this situation there is in actual fact an urgent public need for a sober, moderate political center. A role to which the new election blocs will aspire. But will they succeed in this?—that is the question. Since in full accordance with Viktor Chernomyrdin's formula, borne out by the whole course of affairs in Russia, "you hope for the best but things always turn out the same."

The point is that it is not the power parties but the parties of common sense that should win these elections. I think that any normal person has seen from previous elections that there is no point in voting "against" just to lodge a protest. Since in that case we all end up in the position of the person who, figuratively speaking, puts out his eye so that his mother-in-law can have a one-eyed son-in-law.

Consequently, they will vote for people who give the country an intelligent explanation of how they intend to revive it. A supremely clear program of economic reform should take first place here rather than unsubstantiated promises or unintelligible theories. Those who aspire to play the role of a center need the kind of program whose phases can be verified by everyone. I do not think that this is an easy task.

Some time ago one of the "founding fathers" of the German economic miracle—Otto von Lamsdorff—spoke in Moscow. And with some hidden irony he noted that he admired Russian reformers' gift for improvisation. But he stressed that major economic change is impossible without a long-term program agreed by society. Over the last few years potential investors and international money organizations have literally kicked this program together. But I, an ordinary citizen, am just as interested as Count Von Lamsdorff in knowing what taxes there will be in Russia, what social guarantees, and what level of unemployment the would-be deputies consider acceptable. That was, incidentally, the focus of the election campaign in the United States.

Safeguarding security is, of course, another equally fundamental question to which an election program must provide an intelligible answer. The security of both the individual citizen, who constantly falls victim to the uncontrollable wave of crime, and that of the state as a whole, which has literally found itself encircled by local conflicts. A clear and sensible separation of powers between the central and regional authorities, which should ensure stability in Russia itself, is the most important element here. The policy toward both the warring and the hitherto "peaceful" states of the CIS is equally important and affects every Russian citizen.

People who provide articulate answers to these and other questions should come to power. In a word, all parties without exception must try to persuade the voters of their own common sense. We have had a bellyful of promises and demagoguery.

Party Leaders on Chernomyrdin's Intentions

954F2176A St. Petersburg SANKT PETERSBURGSKIYE VEDOMOSTI in Russian 26 Apr 95 p 1

[Comments by heads of political parties recorded by Viktoria Rabotnova, under the rubric "Firsthand"; place and date not given: "Now It Is Rybkin's Turn"]

[FBIS Translated Text] Russian Prime Minister Viktor Chernomyrdin yesterday announced his intention to create a left-of- center bloc which will compete in the next parliamentary elections. Two more names of members of the government planning to "play" along with Chernomyrdin are being mentioned. They are Sergey Shakhray and Oleg Soskovets. What do leaders of political parties think about the prime minister's intentions?

Aleksandr Yakovlev (Social-Democratic Party):

"From the very beginning I have advocated the creation of a stable two-party system in the country. If Chernomyrdin's bloc becomes a normal party, this is great. But another bloc is also needed—for instance, social-democratic—because it is not good to monopolize the implementation of reforms either. So far, to the best of my knowledge, Chernomyrdin has not invited anyone to join him, so let us wait and see."

Vladimir Lysenko (Republican Party):

"I do not particularly believe in the possibility of uniting democratic forces. So far nothing has come of it. Although a scenario of creating two coalitions—a right-of-center headed by Chernomyrdin and a left-of-center headed by Rybkin—has been a subject of discussion for quite a while. In particular, it was assumed that trade unions and some social-democrats would team up with Rybkin. In short, everything had been worked out, and now suddenly Chernomyrdin announces a left-of-center bloc. Maybe he got confused about the terminology.

"I think Rybkin has a chance; he has already accomplished much in politics, and in general he is a man with a future. We are currently holding consultations with him about possibly joining forces. As to Chernomyrdin's chances, his creation will probably end up being something like the Civic Union, which flopped at the previous elections. Of course, everything depends on how sophisticated the leaders' actions will be. In my opinion, the prime minister will not win, and everything will go by the famous formula coined by Viktor Stepanovich himself: "We wanted to do better, but ended up doing as usual."

Vladimir Lukin (Yabloko movement):

"This is the party of power. Everybody who is tied to power will vote for Chernomyrdin, and the rest will be against. We will see which there are more of. I believe that Yabloko should not join this bloc, unless their program coincides with ours. But I somehow do not think this will be the case."

Yegor Gaydar (Russia's Democratic Choice):

"I expected such an initiative, and it seems natural to me. Power should try to build a political foundation. Beyond that, it remains to be seen. Naturally, for Russia's Democratic Choice it is good that such a bloc has been created. Because when a party of power exists but does not have a political identification, the entire picture becomes fuzzy. We have not been in power for quite some time, but many voters are still not aware of this. Now the situation is becoming more defined.

"We could work together with Chernomyrdin's bloc on some positions. The Russian Government is implementing our program—not consistently, and not to the full extent, but we nevertheless have a basis for dialogue. Since we supported the budget presented by the government and voted for government projects, why not sign an agreement with the prime minister's bloc on specific points and agree to support specific people?"

P.S. As expected, Duma Speaker Ivan Rybkin also announced the creation of his own electoral bloc.

LDPR Deputy on Party Head, Chechnya, Army

954F2180A Novosibirsk VECHERNIY NOVOSIBIRSK in Russian 25 Apr 95 p 5

[Interview with Guards Major of the Russian Army Yevgeniy Loginov, deputy of the State Duma, prepared by Vladimir Kainskiy: "Loginov Multiplies by Three: But Realizes That It Is Impossible To Be Sure About Anything Today"]

[FBIS Translated Text] Guards Major of the Russian Army Yevgeniy Loginov, deputy of the State Duma, stopped by on this occasion to have tea at VERCHERKA. He did not simply stop by, he brought a present also: the latest literary work of Vladimir Zhirinovskiy, leader of the LDPR [Liberal Democratic Party of Russia], entitled "Last Railcar North" and a "Zhirinovskiy" bottle of vodka. We are reading the book at this time, and we assessed the vodka as "yes, indeed." The talk was, naturally, about the army and about politics. It lasted just over two hours.... We offer for your attention a fragment of the interview with the deputy.

[VECHERNIY NOVOSIBIRSK] Yevgeniy Yuryevich, you yourself were in Chechnya. What are your impressions?

[Loginov] The situation is very difficult, of course. We know far from everything: A Chechnya commission is at work in the Duma under Stanislav Govorukhin, it has collected much material, and there are a number of truly sensational documents. But it is still too early to draw final conclusions. When we were at the airport, which has been put out of operation by our aviation, incidentally, we saw familiar "products" with markings—they had been made in the city of Novosibirsk.

What can we say about the Chechens?! Throughout my term of service as an officer I never saw a bad Chechen soldier. He might be sloppy and could infringe discipline, but he always has a genuine interest in warfare. He is, generally, a real soldier.

[VECHERNIY NOVOSIBIRSK] When, in your opinion, will Dudayev be caught?

[Loginov] When there are people who have an interest in this. It is ridiculous and amusing to observe this situation. I am somewhat familiar with the specifics of the work of the special services, and it is laughable, therefore, when Deputy Shabad of Russia's Choice can simply find Dudayev, but the MVD and the Federal Counterintelligence Service, no way.... There are many questions. About the corridor by which the "peaceful inhabitants" left Groznyy, for example. Twenty tanks and 30 pieces of armored equipment moved out via this corridor! It is impossible to explain this, and this is why it is so difficult to talk with my army brethren.

[VECHERNIY NOVOSIBIRSK] Had the military not been hampered?

[Loginov] Had the military not been hampered by the politicians, it would all have been different. But the clearly guilty parties are evading responsibility....

[VECHERNIY NOVOSIBIRSK] As a military man, what can you say about our army?

[Loginov] I have seen the highest level of professionalism both in Chechnya and in Tajikistan, where I visited our border posts. I saw how the tankmen and the mortar battery are operating at the 12th Post. But there is one piece of body armor there for five Russian soldiers, and only 30 of the 160 pieces of equipment are serviceable because there are no spares! Almost four kilometers of trenches have been hacked out of rocky ground and a bathhouse and barracks have been installed on rock in a year. It is hard to explain to those who have not seen what this—gouging out rock—means... It is even harder to imagine that a year ago the soldiers were defending themselves in the fighting at the Moskovskaya Post with rocks because they had run out of cartridges. And there was no help because there were no communications.... This is how the army is living today.

[VECHERNIY NOVOSIBIRSK] Now about politics. The LDPR caused a real sensation at the last elections. What result are you looking for now?

[Loginov] We will multiply it by three.

[VECHERNIY NOVOSIBIRSK] Why so?

[Loginov] There is no politician in Russia at this time equal in intellect to Zhirinovskiy. We have mainly a nomenklatura, not politicians.

[VECHERNIY NOVOSIBIRSK] But you have many rivals: Rutskoy, Lebed....

[Loginov] They will undoubtedly get something. But this will not influence the final result.

[VECHERNIY NOVOSIBIRSK] You are sure that there will be elections?

[Loginov] With authorities that shoot up parliament from tanks it is impossible to be sure about anything. It is impossible to manage a bank or enterprise... even a crime grouping. And everyone is in this state today.

Do you know what Boris Nikolayevich's problem is?! He has no single team—he has several of them. And each is playing its own game. There can be no certainty, therefore, but the LDPR is preparing for the elections, all the same.

Parties Differ on Supporting Russian State

954F2192A Moscow ROSSIYSKAYA GAZETA in Russian 28 Mar 95 Second Edition pp 1-2

[Article by political scientist Sergey Volkov: "Mixed Gruel on the Party Menu: Which Parties Have the Better Chances of Winning the Forthcoming Elections?"; article appears only in paper's second edition]

[FBIS Translated Text] **The evolution of government policy, most obviously manifested on the Chechen issue, had inevitably to have engendered an entirely new breakdown of political forces. Hitherto the confrontation had been more of an economic nature: It ran along the line of attitude toward the reforms. Now it has acquired clearly expressed features of opposition along political lines. The foremost question is that of whether Russia is to remain a great power.**

Whereas previously one camp was composed of "democrats," and the other, of "red-browns," now this division has become totally meaningless. For on the one side are all the opponents, and on the other, the supporters, of a strengthening of Russian statehood, regardless of economic orientation. Both the forces that have supported the present regime and the forces which have been in opposition to it have split in accordance with this criterion. True, the new allies do not like and are ashamed of one another. Such a combination is too unfamiliar. A united "democratic" bloc against the bloc of communists and nationalists was possible in theory hitherto, now we cannot imagine anything of the sort. The bipolarity of political life is conclusively over since the forces that objectively pertain now to one camp will never unite organizationally. Zyuganov and Anpilov will not act in a bloc with Gaydar and Yavlinskiy, nor will B. Fedorov and Shakhray with Zhirinovskiy and Baburin.

So the following associations are emerging among the opponents of the policy of a strengthening of Russian statehood.

First, the "radical communists" (Anpilov and the groupings associating with him). They will hardly enter into election blocs with anyone nor will there be anyone wishing to affiliate with them.

Second, the "radical democrats" grouped around Democratic Russia. The association is absolutely hopeless politically and is for this reason condemned to support Yavlinskiy or Gaydar.

Third, the "bashful communists" bloc (Zyuganov's Communist Party of the Russian Federation, the Agrarian Party, and, possibly, the Socialist Party). This is a very stable bloc claiming to represent the interests of "all patriotic forces," whose character is reflected most fully in the newspaper ZAVTRA. They are not averse to acquiring other allies also—from the ranks of the "patriots"—but after the position adopted on the Chechen issue, none of the latter, even though only a little less red than Zyuganov, is affiliating with them.

Fourth, "social democrats" of all "democratic" stripes uniting, most likely, around Yavlinskiy. This bloc has every opportunity to become a center of attraction for all antistate forces and will, of course, be the undisputed favorite of a majority of the news media. Just as the Zyuganovites lay claim to the unification of all "patriotic" forces, this bloc will lay claim to the unification of all "democratic" forces, but with the same success, it has to be assumed.

Fifth, the Gaydarites, who are in an extremely unenviable position: It is disagreeable and shameful for them to affiliate with anyone, nor do any of the aforementioned need them, as a single whole, as allies. For their political capital consisted of support for the president, whom they themselves betrayed, pathologically unable to endure the possibility of a revival of the greatness of Russia and actions to strengthen Russian statehood. Their sole chance is to attempt once again to "turn" the president in the opposite direction: Gaydar will never become president, and premier, under no one other than Yeltsin. So Russia's Choice either succeeds here (this is unlikely) or it remains a dwarf party with every chance of sharing the fate of the Russian Democratic Reform Movement or it disintegrates, affiliating partially with Yavlinskiy, partially with B. Fedorov.

As far as the forces that in one way or another are not alien to the interests of Russian statehood are concerned, the breakdown does not show through as clearly here but is roughly as follows. **First, of course, the LDPR** [Liberal Democratic Party of Russia]. Zhirinovskiy has almost the same "untouchability" as Anpilov and, besides, has essentially no need of allies. Until, in any event, his self-assurance is stuck a devastating blow (but this will not, naturally, happen before the elections). The LDPR could augment its success only with a very substantial increase, twofold at least, in the patriotic mood in society. Otherwise it will lose up to one-half and more votes since its monopoly of patriotism will not, most likely, be repeated at the coming elections.

Second, the Derzhava movement. Rutskoy will, evidently, manage to create an organization capable of taking part in the elections. In this case he will take no less than half the votes from the LDPR, unless the corresponding mood strengthens to such an extent that the electorate feels it has had enough of them both and seriously "nibbles" at the Zyuganov bloc.

Third, S. Shakhray's PRES [Party of Russian Unity and Accord]. It attempted to be the first to fill the "democratic patriotic" niche 18 months ago, but it was so embarrassed by its "supreme-power" character that it advertised itself very timidly in this respect. After the 1993 elections, when it was discovered that there is absolutely no need for this embarrassment, it was too late, and the PRES has still not become the acknowledged leader of "democratic patriotism."

Fourth, the grouping of B. Fedorov, who has only just formed a party based on the Union of 12 December faction. In principle, its ideology is promising, but not in the immediate future. It could be a serious claimant to the occupation of that same "democratic patriotic" niche, were it not for the inadequate organizational base and comparative lack of celebrity.

The creation of a united "democratic patriotic" party is being hampered, obviously, by the "personality" factor (Fedorov and Shakhray, aside from disagreements on economic matters, which in Russian politics are always secondary, are all too much "leaders"). And such a party (with any participants) could, generally, be created only were it to be headed by the president himself. But unless the elections are postponed, time for this is clearly short. Could it be created at all, such a party would be, of course, a decisive factor of Russian politics, would obtain up to one-third of the vote at the Duma elections, and would almost certainly get its candidate elected president.

Finally, the behavior of a number of national-patriotic organizations, for each of which individually it will be hard to take part in the elections in the coming year, is still not completely clear. It is most likely that the majority of them will support Rutskoy, but it is possible that some of them will unite around another leader, Romanov, for example, and form an independent bloc. Such a bloc would be a very strong competitor for both Zhirinovskiy and Rutskoy.

As far as the behavior of the present authorities is concerned, it will be determined by objective circumstances, which are the fact that on the one hand they could, if they so wished, govern as much as they like (no one in the country is in a position to oust them in the foreseeable future) and, on the other, they could easily and simply cease to exist in the event of elections since they have neither their own structures with which they could approach the elections nor a clear-cut political identity even. Practically none of the persons forming the upper stratum of the power structures and connected only with the president personally, not with parties, have any chance of remaining in office after the 1996 elections. As people who are not "party" but exclusively "state" persons, they may count only on the aspiration of a majority of the population to the acquisition, finally, of strong authority and the stability connected with this, to do without elections, that is.

The president, on the other hand, will have to choose between the following actions: to conclusively disavow the "democrats" and the policy of the country's disintegration, preserving here the commitment to the policy of economic reforms and with this identity of "reconstitutor of Great Russia" to remain president for life (not holding new elections) with the support of the power and administrative structures and, probably, of the majority of the population of the country tired of the political fighting; to give up further struggle and in 18 months to voluntarily pass into nonexistence; to consistently stay the state-patriotic course, having created around himself the appropriate new political structures (in place of the Gaydarites) with which to participate in the election struggle; to return to Russia's Choice and take part in the elections as the candidate of the "democratic forces" (which will still have to be fought for since the majority of these forces have already gambled on Yavlinskiy).

Inasmuch as election laws have yet to be conclusively adopted and the list of the election blocs has not been revealed, it is still too early to accurately forecast the outcome of the parliamentary elections. But the representation of democrats of an "anti-supreme power" persuasion will, on the whole, decline, evidently. The only question is: Thanks to whose success? "State absolutist" democrats or the communists? If they do increase their representation at all, all the parties of the red spectrum will hardly, in any event, obtain more than one-third of the votes. Even at the best times for them the electorate of obviously antistate "democratic" forces has never exceeded 25 percent. Despite all the differences in sympathies, it may be said that 50-55 percent of the population is, as a whole, of a "patriotic" and noncommunist frame of mind.

As far as the presidential elections are concerned, victory at these of the representative of the red spectrum is possible only in the event of an all too manifest "antistate democrat" getting through to the second round together with him. Whoever declares a patriotic orientation will, in any event, be the winner, and whether he is "pink" or a demo-liberal will depend on the personal attributes of the persons who are nominated by this milieu or the other, although the set of these persons is extremely limited, the majority having become too "familiar." In all probability, we will see no "united candidates" of the "democratic" or "patriotic" forces. Despite the constant talk about this, nor is there any particular need for them since such will be spontaneously determined in the second round.

Media Issues

Significance of Government Information Agency

MM0205091595 Moscow ROSSIYSKAYA GAZETA in Russian 29 Apr 95 Weekend Edition p 2

[Unattributed report: "Government Information Administration"]

[FBIS Translated Text] The Government Information Administration has appeared in the Russian Government apparatus.

The topicality of this decision is obvious—even ROSSIYSKAYA GAZETA, whose founder is the government itself, sometimes finds it hard to ascertain any details more precisely, and it is even harder for other journalists. This is why the new structure is being created on the basis of the Government Press Service, whose activity, as shown by a recent check, was not only ineffective but also did not fully conform with the status of a government organ.

It is significant, incidentally, that the new administration's leader has not yet been appointed. This suggests that it is being created not for a specific person, as used to be the case, but for the task of providing objective and full coverage in the mass media of the activity of the Cabinet of Ministers.

Military, Nuclear & Space Issues

Spring Draft Progress, Problems Viewed

MM0205085695 Moscow ROSSIYSKAYA GAZETA in Russian 29 Apr 95 Weekend Edition p 13

[Report by Andrey Kirillov: "Spring: Draft and Dodgers"]

[FBIS Translated Text] The spring draft for military service is in full swing. The military commissariats are full of bustle, people standing in line to be received, and the tears and excited laughter of draftees. All just as decades ago. With the probable exception of one thing—the future new recruits, who are soon to take the oath, have literally to be "scraped from the bottle of the barrel."

It has long been an open secret that personnel acquisition is one of the acutest problems of the Russian Federation Armed Forces. It is possible to cite as an example the data for mid-April provided by the St. Petersburg city military commissar: "Leningrad Military District's subunits are only at half strength with regard to soldiers and sergeants. At the same time just 13 percent of draftees are subject to the draft. One-third of these are deemed unfit on health grounds. The spring draft is proceeding sluggishly, and the situation is being saved neither by the contract system nor by tougher measures to combat 'dodgers.' At present only one youth in every five is subject to the draft, while the rest get a deferment for various reasons."

Incidentally, it is interesting that today draft-age youths are exempted from service for 21 reasons. As a result, it is possible to draft only 23 percent of the 1.5 million draftees in the Russian Federation today. To judge from forecasts, by the end of 1995 the strength level of the Armed Forces will stand at no more than 60 percent of the authorized strength, the shortfall exceeding 700,000. Some experts regard this situation as catastrophic.

The military's concern is understandable. Its desire to make radical adjustmnents to the procedure for performing military service and conducting the draft can also be explained. One such measure is the unpopular yet essential law "On Making Changes and Additions to the Russian Federation Law 'On Military Service Obligation and Military Service,'" which the State Duma adopted recently. If it is approved in the Federation Council, then, according to forecasts, on the switch to the fall draft for a two- year term of service, the shortfall in soldiers and sergeants could fall to 270,000. This means that the overall troop strength level would reach 75-80 percent, without additional financial expenditure.

But the forecasts will remain just forecasts, at least until the fall. Therefore what is more important now is information on how the spring draft is going, for example, in Moscow. According to Colonel Vladimir Dobrovolskiy, deputy city military commissar in the capital, he has no particular worries over the results of the current draft. As of yesterday, the plan had already been half fulfilled. For comparison: By the end of April during the saddest years for the military commissariats—1990-1991—only one-fifth of the fatherland's planned defenders had reported to the draft centers.

It will, however, be possible to draw the final conclusions only 31 June. Some 1,800 draftees are now evading service in Moscow. Vladimir Dobrovolskiy shared this observation: Today draftees are going more readily to serve in the Navy. Even for two years—on the other hand, they do not have to wield a spade. As a result, there are fewer places on board ships than people wishing to fill them. Interesting information for the elaborators of the new military doctrine, is it not?...

University Rector Protests New Army Draft Law

MM0205102995 Moscow ROSSIYSKIYE VESTI in Russian 29 Apr 95 p 2

[Article by Viktor Sadovnichiy, rector of the Moscow State University and president of the Russian Union of Rectors: "You Will Not Strengthen the Army by Destroying the Education System"]

[FBIS Translated Text] If the law permitting the drafting of higher educational establishment [vuz] graduates into the Armed Forces is finally adopted something irreparable will happen. For all those involved in the educational system it is obvious that this law has not been worked through sufficiently and will not help the army, for all our respect for it, to resolve its problems.

Today relations between the army and students are defined by the operating Russian Federation law "on military service obligation and military service." That law on the one hands allows the army to be staffed by students who have graduated from vuzes and have not studied at military departments and on the other to retain qualified cadres trained for science and production by using graduates who have received military training at military departments. That is a sensible balance was retained between those who go to serve in the army after graduating from a vuz and those who had the opportunity,. when they received their diploma, to join a scientific or labor collective immediately without losing the knowledge they gained at their vuz.

Now let us take a look at what the army will get specifically if the new law comes into operation. Only a few tens of thousands of people are trained at all military departments of all Russian vuzes every year. It is these young men, as having received military training, who have the opportunity to join science or production immediately after graduating. It is from these young men that the backbone on which the management echelon and the economy as a whole subsequently rests. It is on these few tens of thousands of men that the law's drafters are encroaching. But this is just a trivial percentage of the army's total numerical strength. A percentage which will in no way resolve the problem of the undermanning of the Armed Forces.

On the other hand in my view other no less serious problems will be generated. The existing system for training reserve officers from the ranks of students, which has been operating effectively for 50 years, will be destroyed. If all students are drafted after graduating from the vuz many will not voluntarily go to study in military departments.

Add to this the harm which will be caused to the system of training and using the cadres potential in production and at scientific, educational, and all other institutions. Specialists with diplomas will be separated from their civilian professional activity for a long time.

If we are to predict the consequences then it can already be said that the new law will in now way strengthen our country's defense capability or consolidate its security. But it will increase the already considerable leak of intellectuals abroad.

My colleagues and I are convinced that today it is more expedient to leave the system of relations between the student and the army in its previous form. Yes, we need a strong army. But a country's security is defined not only by its army's strength.

Decline in Military Production Continues

MM0205104995 Moscow KRASNAYA ZVEZDA in Russian 29 Apr 95 p 3

[Report by Vitaliy Vitebskiy, chief of the Russia Federation State Committee for Defense Sectors of Industry Main Directorate for Information and Statistics: "The Military-Industrial Complex in the First Quarter of 1995"]

[FBIS Translated Text] Industrial production (at comparable prices) in March 1995 compared with the same period last year dropped 29 percent, down 23.6 percent since the beginning of the year.

The situation is reflected more clearly using stable base indicators. We have chosen the 1991 indicators for this role.

The results arising from computing the change in levels of industrial production in 1994 and the first quarter of 1995 against the base year of 1991 are shown in the table below:

Rate of Change of Production Levels in the State Committee for Defense Sectors of Industry as a Whole (in percentages)

Month	1994 as Percentage of 1991	1995 As Percentage of 1991
January	41.7	34.9
February	41.7	31.1
March	39.2	27.8
April	40.6	
May	37.2	
June	40.7	
July	38.9	
August	38.5	
September	37.5	
October	40.3	
November	42.8	
December	42.7	

You can see from this table that the positive trend of August- December 1994 gave way to further increased decline in the first quarter of 1995. The greatest slump in production in March 1995 occurred in the main administrations of the radio industry (44.9 percent), missile and space technology (36 percent), the communications industry (34.7 percent), and the arms industry (32.3 percent).

The amount of civilian production at comparable prices dropped by 29.4 percent in March 1995 compared with March 1994, down 23.9 percent since the beginning of the year.

Military production at comparable prices dropped by 27.7 percent in March 1995 compared with March 1994, down 22.9 percent since the beginning of the year.

During the first quarter prices of defense complex enterprises' output continued to rise. This largely took place in March, moreover. The overall price index in March compared with December 1994 stood at 1.5 for the State Committee for Defense Sectors of Industry. Including 1.3 for defense output and 1.7 for civilian output (1.0 in January and February).

As of 1 April 1995 Russian Goskomimushchestvo [State Committee for the Management of State Property] Federal Administration for Insolvency (Bankruptcy) Affairs had adjudged 226 enterprises, research institutes, and design bureaus in the defense sectors of industry bankrupt or as having an unsatisfactory balance. Courts of arbitration had examined 10 cases of insolvency (bankruptcy) among defense enterprises. External managers had been appointed at five enterprises, official receivers [konkursnoye proizvodstvo] had been called in at one, and in four cases creditors had withdrawn proceedings.

Labor Indicators

In February 1995 compared to February 1994 the average number of workers in the State Committee for Defense Sectors of Industry as a whole dropped by 17.0 percent (by 18.0 percent in industry generally, including a fall of 16.7 percent in the number of industrial production personnel).

The average monthly wage of a worker in February 1995 in the State Committee as a whole stood at 240,000 rubles [R] (point of information: The figures in the national economy, industry, and machine building were R321,000, R382,000, and R307,000 respectively).

The electronics industry has the lowest wages—R171,000. The highest are at shipbuilding enterprises—R302,000.

Aircraft Engine Plant Needs Conversion Profits

MM0205100395 St. Petersburg Fifth Channel Television in Russian 1530 GMT 4 Apr 95

[From the "TV Inform" newscast: Video report from St. Petersburg's Klimov Aircraft Engine Plant by Innokentiy Ivanov and Lev Rozhin, identified by caption]

[FBIS Translated Text] [Ivanov over video of work under way at MiG-29 engine test facilities] The world's best aircraft engines, for MiG-29 fighters, are tested on these test beds at the Klimov Aircraft Engine Plant. The military aircraft sold by Russia to Malaysia under the multimillion contract which has attracted so much attention are fitted with just such engines. For 80 years now this plant has been producing gigantic profits for the country. It was established back in the times when the aircraft genius Sikorski was working in Russia.

The plant's latest achievement was the engine for the T-80 tank, which caused a stir at the recent Abu Dhabi arms fair. The engine for the helicopter of the 21st century was also designed here. The economical Mi-38, designed to carry up to 15 passengers, was to have been flight-tested this year. However, the joint project by Russian designers and specialists from France and Germany has gotten bogged down in Russia's vast expanses. Work at the Klimov plant has been suspended. State funding for the plant is constantly being cut back. And prices for materials in Russia have long caught up with world prices.

[A.A. Sarkisov, general designer, identified by caption] We only have one "advantage" in quotation marks--we are paying our people tens, even hundreds of times less than people get elsewhere. That is the only difference.

[Ivanov] In order to maintain its main specialization and avoid losing its remaining specialists, this plant, once the elite of the flourishing aircraft industry, has devised a unique system for heating plants. Three compact triple units [troynik] will replace cumbersome and uneconomic heating plant equipment. The city administration has shown interest in this equipment. Perhaps the new heating plants will help the aviation plant to obtain the money necessary to complete the Mi-38 helicopter engine, which, as always, will bring in large profits for Russia. [video shows test bench and other production facilities, model of Mi-38, Sarkisov interview, heating plant equipment]

Munich Plutonium Case 'Fabricated From Start'

MM0205092495 Moscow KRASNAYA ZVEZDA in Russian 29 Apr 95 p 2

[Report by Vadim Markushin: "Agent 008 Testifies"]

[FBIS Translated Text] The plutonium scandal is still going on in Germany. It was revived by the omniscient weekly DER SPIEGEL. It recently published a story saying that the incident involving the plutonium-239 that caused such a hullabaloo last August was specially set up by the German special services. Let us remind you that this involved the seizure at Munich Airport of a smuggled suitcase containing nuclear materials, which had arrived from Moscow en route for Madrid. At the time accusations were leveled out of hand at Russia, which allegedly did "not have proper control of its nuclear arsenals" owing to the chaotic situation there.

The DER SPIEGEL article compelled German parliamentarians to spend seven hours interrogating Bernd Schmidbauer on this score a week ago (remember, he came to Moscow to help investigate this matter?) along with Konrad Porzner, leader of the Federal Intelligence Service, and members of the Bavarian police.

Schmidbauer, the chancellor's intelligence adviser, whom the press calls "Agent 008," is thought to have repudiated DER SPIEGEL's charges of provocation. He said that "there was no set-up," that the whole business was hyped up by journalists. At the same time neither Schmidbauer nor Porzner agreed to tell journalists what they knoew of the circumstances behind the Munich operation, citing the secret nature of the business. Both assured them that they knew nothing about the presence of plutonium on board the Lufthansa flight. Dieter Emerich, chief of the Munich Prosecutor's Office, is of a different opinion. He said that his office knew in advance of the upcoming plutonium shipment and that the people in Munich received this information "from above," from the relevant competent organs. Emerich said that the idea was viewed without enthusiasm by his department.

Who is right? One should probably not draw hasty conclusions. Especially since the trial of the plutonium traffickers arrested on that ill-starred day in August at Munich Airport is scheduled for May.

Presumably, the question of whose plutonium-239 was being carried secretly on board the German airliner from Moscow to Munich will finally be cleared up too. Might it have been produced in Germany? That at any rate is what Russian Atomic Energy Ministry spokesman Georgiy Kaurov believes. According to him, the plutonium affair was fabricted from start to finish by the FRG intelligence service.

Regional Affairs

Further Reportage on Situation in Chechnya

UN Demands Return of U.S. Worker

LD0105152395 Moscow ITAR-TASS in English 1514 GMT 1 May 95

[By Boris Sitnikov]

[FBIS Transcribed Text] UNITED NATIONS, May 1 (Itar-Tass)—The United Nations expressed deep concern about the fate of U.S. aid worker Frederic Cuny and his colleagues missing in Chechnya and demanded their safe return.

U.N. Under Secretary General for Humanitarian Affairs Peter Hansen said Cuny and his missing colleagues—an interpreter and two Russian Red Cross doctors—were working in Chechnya for the Soros Foundation.

Their whereabouts remain unknown since they were last heard of on April 9.

On behalf of the United Nations Organisation and a broader community of organisations providing humanitarian aid in Chechnya (Russian Federation), Hansen urged all those concerned to do everything possible to find Cuny and his colleagues and ensure their safe return home.

Respect for the security of aid workers, such as Cuny and his colleagues is of paramount importance. This principle should be observed under all circumstances, he said in a statement issued on Monday.

'Alarming' Situation in Groznyy

LD0105193895 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 1 May 95

[Report over video from Groznyy by correspondent Grigoriy Brynza—from the "Vremya" newscast]

[FBIS Translated Text] Over the past few days the situation in the capital of Chechnya has been alarming and not quiet. According to various sources there are now from 800 to 2,000 fighters operating in Groznyy. Not only during twilight and at night but also sometimes during the daytime the subunits of the Federal Troops are being shot at from automatic weapons.

The snipers are the most active. Their number is about 400. The data are sad. Every day in Groznyy an average of eight Russian servicemen are killed by snipers' bullets. Last night was especially tense. All commandant's offices of the town and the subunits of the Federal Troops stationed in Groznyy were fired upon from various types of weapons from 1800 on 30 April. The subunits of the Federal Troops had to retaliate. A fierce shoot-out lasted four hours near the commandant's office no. 3 in the Leninskiy district. The military men suppose that such kind of provocations will continue during the whole period of the announced moratorium on combat operations.

Here is one more thing. Very probably on 9 May, Victory Day, the situation in Groznyy will be very uneasy. [video shows tanks, submachineguns, and Russian servicemen shooting]

Internal Troops Convoy Attacked

LD0205074995 Moscow ITAR-TASS World Service in Russian 0721 GMT 2 May 95

[By special ITAR-TASS correspondent Sergey Ostanin]

[FBIS Translated Text] Groznyy, 2 May—Despite the curfew, military commandants' offices came under fire in Groznyy overnight and there are wounded.

An ITAR-TASS correspondent has been told at the headquarters of the joint group of federal forces that a convoy of an internal troops brigade, consisting of five vehicles and one armored personnel carrier [APC], was attacked on entering the Chechen capital on the evening of 1 May. Using grenade launchers, the militants disabled the APC at the head of the convoy and also the KamAZ vehicle bringing up the rear. Subsequently, servicemen came under rifle and grenade launcher fire. The soldiers returned fire. An hour later, reinforcements arrived at the scene of the battle and helped repel the attackers.

During the three hour battle internal troops lost three men; eight were wounded and three vehicles were knocked out of action.

Railroad Offering Half-Price Shipments

MM0205093095 Moscow ROSSIYSKAYA GAZETA in Russian 29 Apr 95 Weekend Edition p 2

[Unattributed report: "Concessions on Freight for Chechnya"]

[FBIS Translated Text] By decision of the State Commission for the Restoration of the Chechen Republic's Economy and Social Sphere, as of 1 May the Ministry of Railways is establishing a preferential tariff with a 50-percent rebate for the transportation of construction materials, structures, machinery, mechanisms, foodstuffs, nonfood necessities, and other freight destined for the Chechen Republic.

N. Ossetia Units on Alert at Ingush Border

LD0205113095 Moscow ITAR-TASS in English 1059 GMT 2 May 95

[By Valery Shanayev]

[FBIS Transcribed Text] Vladikavkaz, May 2 (Itar-Tass)—Units of the North Ossetian Interior Ministry troops and mobile groups of Russian troops, attached to the Provisional State Committee of the Russian Federation for eliminating consequences of the Ossetian-Ingush conflict, were placed at higher alert today. They took under special control populated localities in the areas bordering on Ingushetia, in order to rule out a possibility of the penetration of illegal armed groups from Chechnya. According to the information of the North Ossetian Federal Security Service, Dudayev's envoys were detected recently in the area of combat operations. They called for retaliation actions in the Caucasus against Russian troops, which are disarming illegal armed groups in Chechnya. According to North Ossetian Interior Minister Georgiy Kantemirov, the "Transport" operation is continuing, which includes a tight inspection of automobiles, trains, railway stations and airports.

According to military sources, the situation is comparatively stable in North Ossetia. Refugees continue to come to the republic from Chechnya. Some 8,000 have been registered already. Measures are being taken with the help of the Russian Government and the Federal Migration Service for finding accommodation for them. Aside from it, 50,000 migrants from Georgia, South Ossetia, Abkhazia, Ingushetia and Central Asian republics are also staying in North Ossetia. The International Migration Organisation and the Department of the U.N. High Commissioner for Refugees in Russia are organising the supply of humanitarian aid. A North Caucasian branch of the U.N. mission was opened in Vladikavkaz to coordinate their work.

Cossacks To Offer Candidates in Elections

LD0105175595 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 1200 GMT 1 May 95

[FBIS Translated Text] The congress of Russian atamans reached agreement today on changing the name of the union of cossack formations [soyuz kazatskikh formirovaniyy] to the All-Russian Union of Cossack Formations [obshcherossiyskiy soyuz kazatskikh formirovaniyy], the Ekho Moskvy radio station learned.

The senior ataman, Colonel General Aleksandr Demin, said that a Cossack information center and united bank would be set up in Moscow.

The union intends to put up its own candidates for the parliamentary elections in December this year. However, Aleksandr Manshin, deputy ataman of the union of Cossack formations with responsibility for public relations, thinks they will not be able to put up candidates through their own union but through other blocs and movements, as, according to the law on elections, an all-Russian union must be registered 10 months before the elections to put forward candidates.

Buryatia Establishes Branch of New Party

LD0105170695 Moscow ITAR-TASS World Service in Russian 1600 GMT 1 May 95

[by ITAR-TASS correspondent Aleksey Subbotin]

[FBIS Translated Text] Ulan-Ude, 1 May—A regional branch of the "Our Home is Russia" movement has been established in Buryatia.

An ITAR-TASS correspondent was told today in the organizing committee of the republican branch of the movement that the branch includes representatives from the executive power of the republic, activists of the Party of Russian Unity and Accord and "Russia's Choice," and members of the republican union of industrialists and entrepreneurs.

Mikhail Spasov, first deputy chairman of the government of Buryatia, was elected head of the branch.

The participants in the organizational meeting elected delegates to a founding congress of the movement.

Sevastopol, Black Sea Fleet Seen as Interdependent

MM0 .05110995 Moscow Russian Television Network in Russian 1900 GMT 24 Apr 95

[From the "Vesti" newscast: Video report from Sevastopol by S. Milyanchikov, identified by caption]

[FBIS Translated Text] [Milyanchikov over video of obelisk commemorating the foundation of Sevastopol] To the initiated, this modest obelisk recalling the history of Sevastopol and the Black Sea Fleet says more than its inscription suggests. For centuries this city was built and developed as a naval base to serve a single navy. After all, the ships visible in the harbor are just the tip of a giant iceberg. Its main part consists of huge depots, fuel storage facilities, ship building and ship repair plants—in short the shore services hidden from sight behind barbed wire and in cliff caves, without which no ship, not even the most modern one, can put to sea. Both Russia and Ukraine are perfectly well aware of this. The

Sevastopol base is Russia's only chance to retain its fleet. If the fleet is removed from here, Ukraine will get a city without a fleet in which half the population will be unemployed. [video shows obelisk, ships in harbor and at sea, street scene]

Challenges of Regional Growth Profiled

954F2174A Novosibirsk SOVETSKAYA SIBIR in Russian 25 Apr 95 pp 1, 3

[Article by V. Maltseva: "Where Are We Going? Who Are We Trying To Catch Up With?"]

[FBIS Translated Text] As SOVETSKAYA SIBIR has reported, a second conference of scientists and practitioners on "Strategy for Stabilizing the Region's Economy: Problems and Solutions" was held in Novosibirsk at the oblast administration's initiative. This provided an opportunity to discuss problems of the territory's development, analyze what has been accomplished, evaluate potential, and simply exchange opinions on topical issues.

Where are we going? Who are we trying to catch up with? These questions were heard in one form or another in the conference participants' presentations. In asking these questions, the intonation of Novosibirsk Oblast administration head I. Indinok conveyed both dissatisfaction and concern. That these feelings are not unfounded was confirmed by Deputy Prime Minister S. Shakhray, who was present at the conference as head of the government delegation, who pointed out the impulsiveness in the management of the economy.

Will the Budget Bear All?

Attentive listeners, viewers, and readers probably have already noticed that a certain "budget" exorcism, whose authorship is being attributed to government officials, has been spreading lately through mass media channels. They say, for instance, that we need to rebuild Chechnya; that salaries are being raised for employees of budget-funded organizations; that arrears in miners' wages are being paid; that space programs are getting a second wind. All this information is being incorporated into the context of statements that this will not affect the budget. The idea behind these statements is to dampen one of the factors behind inflation—inflationary expectations. Market entities usually act on them when they raise prices for commodities, manufactured items, and services.

Other attempts also are being made to hold the budget together: Appealing to local bodies of authority with requests to help in rebuilding Chechnya from the ruins and to provide students' keep.

As discussions at the conference were being wrapped up, I.I. Indinok related to the audience a "student" request from Deputy Prime Minister Yarov to our governor. In addition, just one day—18 April—brought two more requests against the oblast budget: from Novosibirsk's deputy mayor—to reimburse 45 billion rubles [R] for veteran benefits; and from 18 large state enterprises—to transfer housing and social and cultural facilities to the oblast's books before 1 May, since they can no longer maintain them.

I.I. Indinok promised to publish the oblast budget—to "expose ourselves naked," as he put it. But this financial striptease will probably illustrate what is described as a depressed economy.

The budget can only hold this much. And since right now attempts are being made at the top to restrain inflation artificially—and it will be artificial until production rises—stabilization may come about. "Our stabilization is that we have hit the bottom. This is our stabilization," is a quote from a speech at the conference by L. Vartazarova, head of the State Duma's Analytical Center.

"Catch-Up Development"

Attempting to answer a question about Russia's main tasks, L. Vartazarova said that they "allegedly are to catch up with some 'civilizing culturological train.'" Hence, the "catch-up type of development" had been chosen. But should we perhaps not be running anywhere? All we get from this is deformation of the economic structure and a crisis of human adaptation capacity? Our mentality responds best to a spurt. This spurt, in L. Vartazarova's opinion, should come from anticipatory modernization. The indicator of feasibility of this task is the fact that many scientific developments are being bought up by foreign countries. This trade in the "Russian gray matter" is being conducted uncontrollably by scientific institutions choking in the financial noose.

The dangerous game of the free market, believes L. Vartazarova, has already born its first fruit: "The country has crossed the food security margin," that is, more than 50 percent of food is imported.

The Russian sociocultural code is aimed not at confrontation but at searching for accord, justice, and solidarity, as well as collective forms of ownership. All these values are global, if for no other reason than because they are economically effective. The world is searching for collectivism, while we decide to discard it.

What, in L. Vartazarova's opinion, should the regions do?

They need to put together social and land cadastres. Objectively appraise the indicators of priority development. And set up a patent bank for inventions.

Thin Fabric of Differences

"They are terribly removed from the people," was the way one of the "provincials" privately appraised the Moscow guests' view of real life.

There is no great sin in being distanced from the people—somebody has to see problems in the aggregate, and you can only do this at a distance.

"The main idea of last year's report was that the only way out of the economic crisis is through strengthening state regulation of the economy," Novosibirsk Oblast administration head I. Indinok said at the current conference. The program of anticrisis measures adopted last year was not fully implemented because federal organs did not provide enough support.

The recommendations of the second conference contain 13 points that represent corrections to federal economic policy. And each point mentions state obligations, nonfulfillment of which snowballs on the regions' economies: Each ruble of state debt (according to the Russian Federation Ministry of Economics' calculations) causes 2-3 rubles in enterprise debt. The recommendations: effective antitrust legislation; regulation of base industries; state monopoly on foreign trade; state regulation for northern regions; and so on.

Even the most well-wishing presentations of Moscow participants, however, contained an unobtrusive but quite clear idea of abandoning the subsidy principle of state intervention in regional economies and instead creating conditions for their effective functioning (L. Vartazarova), the need for "indirect state regulation" (S. Shakhray).

The deputy prime minister presented this viewpoint to listeners: Subsidizing poor regions leads to a general decline; subsidies should go to strong regions—the "locomotives" that will pull everybody out. Qualifying this by saying that theory is not always supported by practice, Sergey Mikhaylovich nevertheless named the following among the two most important tasks: Stimulating centers of economic growth.

From the macroeconomic standpoint it is hard to argue with this, but heads of administration every day have to look people straight in the eye, and the eyes are not always friendly, to put it mildly.

Perhaps for this reason, and not only out of populist considerations (as it was privately characterized), the second part of the recommendations has a clearly social bent.

In particular:

"For the purpose of reproduction of the healthy work-eligible population of the region and the revival of the Siberian populace..."

"Continue scientific research and practical work in the area of human economics... conduct and analysis... of a targeted program of social content..."

This bent is predicated on already-available scientific data. According to Academician V. Kaznacheyev, by the rate of extinction the Slavic people are candidates for becoming a minority.

In order for the government's macroeconomic plans to become reality, those who will be implementing them need to be fed today. This "simple" task today is the responsibility of the regional administrative elite—the closest target for firing off discontent over the current state of affairs.

Not Enough "Mechanics"

The "masses" believe that the "higher ups," if they no longer want to live the old way, should work out the goals, both legislatively and managerially, and create the mechanisms for achieving them. This is what those who have to implement these goals sorely lack.

Perhaps out of desperation—for the lack of these mechanisms—those at the local level attempt to invent their own "mechanisms"—recommendations of how to live. While all Moscow does is pat them on the shoulder: Go ahead, strain yourselves, and we will evaluate your experience.

And they are straining. In any case, the sectional research (let me remind you that 12 sections were working at the conference within all strategic economic lines) was interesting, challenging, and did not always agree with the "established authorities." One could gauge the heat of concern for the fate of the oblast development from the presentations of section leaders at the conference's plenary session.

Professor I. Kurtsev expressed an opinion that its recommendations are "mild" and do not reflect the gravity of the situation in agriculture.

President of the AO [joint-stock company] Elektrosignal N. Rychkov believes that it makes sense to go back to fulfilling the tasks set by last year's conference. He noted that the oblast administration's decisions fall short of what is needed to deal with industry's problems. In Nikolay Nikolayevich's opinion, "we talk a lot about Moscow, while there is enough to do in the oblast." The industrial policy section's decisions, in the work of which N. Rychkov participated, note "complete inaction of the antitrust administration with respect to natural monopolies."

Speakers representing sections came up with a lot of interesting proposals on creating large market entities—financial-industrial groups and international centers.

Perhaps these are not the mechanisms and levers capable of raising the economy from the bottom, but the qualifications of the "mechanics" inspire hope.

An interesting twist in the topic of "black cash" was the suggestion by Professor L. Nogovitsina. In her opinion, criminalization of trade is a compensatory measure needed for survival. The professor characterized banks' monopoly on setting the cost of borrowing and taxes as state racketeering on a greater scale than the criminal one.

As usual, Doctor of Economics Sciences A. Kiselnikov delivered a brilliant presentation.

Aleksandr Andreyevich "dissected" the economic situation in the country and the region. The resulting picture was gloomy. He nevertheless insisted that our oblast is not yet a disaster zone.

We have to settle for the consoling fact that the people have turned out to be the most resilient part in the struggle for a "happy future."

Economic Issues

Implications of Taxation Law Package Viewed

MM0105143095 Moscow ROSSIYSKAYA GAZETA in Russian 28 Apr 95 First Edition p 4

[Commentary by Aleksandr Velichenkov: "Russian Federation President Boris Yeltsin Has Signed a Package of Three Federal Laws on Assessing Enterprises for VAT, Profit Tax, and Property Tax"]

[FBIS Translated Text] The three basic taxation laws adopted at the start of the reforms, at the end of 1991, have been frequently modified and supplemented (between six and eight times).

The versions published here are nothing less than an attempt to remove all references, instructions, and so forth, and to make a "fair copy" of the laws, changing nothing in them to a radical extent, but transforming them into laws in the true sense of the word.

The Russian Federation Law "On Profit Tax on Enterprises and Organizations": Several amendments are connected with the fact that the law now regulates the taxation of all organizations, including banks and insurance companies. It is now clarified that enterprises can pay tax not only from their current accounts, but also from other accounts.

The vexing issue of taxes paid to federation component budgets has at long last been resolved on a strictly legislative basis. If an enterprise is itself registered in one region, but has production units in another, it will now have to pay local taxes in accordance with the legislation of the region where its plants are actually situated. Admirers of Ingushetia-type off-shore zones may now be worried.

The prime cost of a product is henceforward defined by law, rather than by government decree, as including an amount equal to six times the minimum monthly labor wage multiplied by the actual average number of employees on the pay roll. The same paragraph provides an exhaustive list of concessions on the tax on exceeding the wage fund which can be included in the prime cost of a product. But both the concessions and the restriction of six times the minimum monthly wage itself are to be in force only until the end of 1995, and are then to be withdrawn.

The law contains substantive innovations for enterprises with foreign investments. Henceforth they may pay profit tax once a year (without advance payments) at a fixed time. At the same time the need for compulsory auditing has lapsed.

In our view, the question of enterprises with foreign investments could be open to broad interpretation. The legislation contains two formulas: "enterprises with foreign investments" and "foreign juridical bodies." If the second formula is intelligible, the first requires the introduction of a size limit on the foreign owner's share. In the real world it remains as it was in the legislation on joint ventures and constitutes a 30-percent share in the partnership, but the legislative basis of this norm is obviously rather weak.

The Russian Federation Law "On Value-Added Tax." The reasons for making a fair copy of this law are the same as apply to the law on profit taxation. Retaining the same tax rates, legislators have managed to remove a number of the omissions that typified earlier drafts—there were eight such omissions in total.

The procedure for the payment of VAT has been somewhat modified for wholesale trade and public catering enterprises. Henceforth VAT is paid not from the trade markup, but from the difference between the proceeds and bills paid. You might think that the difference made by this amendment is not great, but in reality it is extremely substantial and means that VAT will have to be paid earlier, without waiting for the product to be sold. This measure could have an appreciable effect on organizations with large warehouse stocks which do not operate smoothly.

At first sight, the norm in the law which excludes from the list of tax concessions "work on the construction of dwelling houses," whereas the dwelling houses themselves remain on the concessions list, looks very strange. But essentially this is all entirely natural. If you consider that investments in construction incur VAT and are granted profit tax concessions of 50 percent, this norm in the law should intensify the influx of capital for investment in construction and somewhat cool the overheated market in second homes.

The procedure for the payment of tax by foreign juridical bodies receives substantial elaboration.

The Law "On the Tax on the Property of Enterprises": The amendments to Article 1 correspond to the general logic of all three laws, but a special paragraph is assigned to spelling out in detail the activity of foreign juridical bodies.

The amendments to Article 2 mainly concern the interpretation of the concept "property" in the previous draft. Legislators had to return twice to the concept "joint activity" in Articles 2 and 8, since earlier versions made it sometimes possible for property to be withdrawn from taxation.

An extended list is presented of budget-funded and state institutions to be withdrawn from taxation, from which the system of notaries' offices has been removed.

The concession for newly set up enterprises has been removed; this has an entirely practical sense: For reorganized enterprises it is illogical, and for small enterprises it will be regulated by other laws.

Organizations engaging in the running of housing and utilities lose their tax concession, but now tax will be calculated on the basis not of the total amount of property, but only that property which has a commercial use—nonresidential premises, transport facilities, and so forth. Facilities in the housing and utilities sphere itself are withdrawn from taxable property in accordance with Article 5.

Housing construction facilities, dacha and garage cooperatives, and horticultural partnerships [sadovyye tovarishchestva] continue to pay no property tax. But public associations will be eligible for tax concessions only if they do not engage in entrepreneurial activity.

Tax concessions are to granted for scientific and research and experimental and design work if they constitute not less than 70 percent of the tax-paying enterprise's work. Now we can expect the emergence of real venture firms which put objects of intellectual property on their balance sheets and try to turn them into industrial models.

Federation components can establish tax concessions autonomously, which could stimulate the formulation of regional development priorities. But here it is essential to take into account that the entire property tax is calculated from the book cost, which in conditions of inflation must be overestimated. But individual regions are "closing their eyes to the fact that enterprises on their territories are calculating their property in terms of 1992 prices."

The alteration of the tax rate in Article 6 from 1 to 2 percent does not mean an increase in this rate, since the new rate has already been operating for 19 months and was introduced by presidential edict No. 2270.

Slump in Industrial Production Accelerates

MM0105141295 Moscow SOVETSKAYA ROSSIYA in Russian 29 Apr 95 p 3

[Unattributed report under the "Yesterday's Noodles" rubric: "Even Chernomyrdin Is Being 'Exposed'!"]

[FBIS Translated Text] Speaking in Magnitogorsk, Prime Minister V.S. Chernomyrdin announced a sensation: The slump in industrial production has been halted for the first time in four years!

We would rejoice at this, but how many times have the authorities misled Russians, starting with the promise that Yeltsin made in October 1991 at the Fifth Congress of RSFSR People's Deputies: "We will have real results by the fall of 1992."

We did get them, but they were not at all those that were promised. Even now, so BIZNES-TASS reports, the slump in industrial production has once again accelerated in April, standing at 38 percent. A more intensive reduction in output—by 32 percent—last occurred in September last year. This is one conclusion obtained by BIZNES-TASS from a routine poll of leaders of industrial enterprises throughout Russia's territory conducted by the Institute of Economic Problems of the Transitional Period.

An increase in the rate of reduction in demand began again in the second quarter of this year in all sectors except the construction industry, which is experiencing a seasonal upsurge. Approximately 85 percent of the respondents reported that demand was "below normal." A similar situation was observed in February-March 1994, when the government's tough credit and financial policy placed industry in an extremely difficult position. Precisely 77 percent of the leaders of Russian enterprises rated their position as a whole as bad.

Coal Industry Official Interviewed

MM0205095795 Moscow RABOCHAYA TRIBUNA in Russian 28 Apr 95 pp 3-4

[Interview with Albert Solomatin, first deputy general director of "Rosugol" by Mikhail Dmitruk from "Industrial Herald" section; date and place of interview not stated: "We Will Close, But Not Immediately, and We Will Construct New Ones"—first paragraph is introduction]

[FBIS Translated Text] In recent months the leadership of the "Rosugol" company has been caught between a rock and a hard place. The IMF has suggested a restructuring of the [coal] sector which essentially means its destruction—and the miners have stepped up their strike movement, demanding the resurrection of the Russian coal industry. How under these conditions is the company's leadership behaving and on whose side is it?

[Solomatin] A good question, said Albert Gergardovich. We have already been thinking about it and have found a compromise solution. The board of the "Rosugol" company is not rejecting the IMF proposal. We ourselves are restructuring the coal industry—the IMF advises that we do it rapidly. But such haste could have serious consequences for the miners, and we do not want that shock therapy. So we shall carry out restructuring gradually so that it benefits the Russian coal workers.

And in this we are not original. Shock therapy is popular in Poland but its coal industry did not travel the path suggested by the IMF. And after all in terms of its structure our coal industry most resembles the Polish industry....

For instance, what are we to do with the Maritime Kray city of Partizansk, where there are five mines with a total coal extraction of 170,000-200,000 tonnes a year? That is a very low level, which suits no one. Moreover, extraction there is difficult and the coal is very costly. Of course mines must be closed. But if we do that immediately then over 1,000 people will be left without work at each.

So these painful questions must be resolved peacefully so that the former miners are not left without work and housing. But their resettlement and provision with jobs will be very expensive. For that far more will be needed than the $500 million which the IMF is offering for the entire program for restructuring our sector. That sum is not serious, to put it mildly. So far we have had the funds to close eight mines last year. But this year we are planning to close a further 22.

Recently we closed a mine inside the Arctic Circle not far from the Arctic Ocean called Khalmer-Yu. There is no other work here—the entire settlement had to be moved to Russia's central zone. The company constructed new homes for its former workers and their families in an inhabited region where people can find work.

We have many settlements and entire cities which must be resettled after the mines close. Such a serious problem cannot be resolved at a stroke, as the IMF is suggesting.

We have taken a different path. The "Rosugol" company has elaborated a program for modernizing the coal industry which has been approved by the Russian Government. According to the program mines with a low extraction level, complex mining and technical conditions, and a high degree of danger will be closed. As a result we shall be rid of the enormous losses and the high rate of injury and death inevitable at such mines.

In general we are in favor of a calm, balanced, even restructuring which has already been approved by our government.

[Dmitruk] I recently had a talk with leaders of the mining institute named for A. A. Skochinskiy about the prospects of the fuel and energy complex. They described how there is enough known coal on the planet for 400 years and enough gas for 50 years. The leaders of the world coal industry—China, the United States, and Australia—are very well aware of this and are continuing to develop their coal sectors. But the West is imposing the "blue option" on us—the accelerated development of the gas industry and the reduction of coal mining. If we agree with this policy then in 50 years' time the stocks of gas will be exhausted and the coal industry will collapse—and Russian will be left without energy.

[Solomatin] Of course the scientists are right. And sooner or later this will be understood by everyone who has imposed the winding down of the coal industry on us. Gas is not salvation but coal has not yet had its final say. But everything will have its turn.

The "Rosugol" company knows that if the annual extraction level is allowed to drop below 260 million tonnes then there will be stoppages in power engineering, metallurgy, and other sectors. And the level must not to be allowed to drop below 200 million tonnes in any circumstances: That is tantamount to economic suicide. For instance, in the Far East 80 percent of heat and power engineering operates on coal. If there is no coal everything will come to a standstill.

In closing unprofitable mines we are releasing funds for the retooling of profitable ones—we are providing them with new equipment which would enable them to raise production at least to the average world level.

[Dmitruk] Where exactly?

[Solomatin] At the Vorgashorskaya mine in Vorkuta, the Raspadskaya mine in the Kuzbass, and many others. But the main thing is that even in our hard times we are constructing new mines. For instance, the Obukhovskaya mine in Gukovo City. It will be fitted out with highly productive equipment which will ensure extraction to an international standard.

But it is very hard to get all mines up to this standard. After all, mining and geological conditions for coal mining in Russia are far more complex than in the United States or Australia. Because they are the leaders it is simpler for them. But our conditions approximate to West European ones: The majority of mines are deep, with large irregularities in the seams, contain a lot of gas, and so forth. Add to that the economic difficulties which our leaders have been creating artificially since the eighties and it will become clear why we are now having such difficulty hauling ourselves up to the world standard.

Fortunately the government treats our problems with understanding and matters will be put right. But time has been lost and it is very hard for us to catch up with our foreign competitors.

[Dmitruk] You spoke of the gas in our mines—but it can be transformed from an enemy into a friend if you do what some European countries do: If you do not discard methane to poison the atmosphere but channel it to power stations which will supply electricity and heat to mines and workers' settlements and even sell the surplus to neighbors. Studies have shown that Russia's coal deposits contain as much gas as gas deposits. We only have to make use of this free source of energy. Incidentally, if we construct gas-powered power stations at coal mines which are being closed then many people will be able to work there—they will not have to be resettled in other regions.

[Solomatin] This direction is not new to us. In Russia there are already mines which use gas for technical needs. But to implement the concept of small-scale power engineering large expenses are needed. So far we do not have the money—we need a wealthy investor.

[Dmitruk] One more painful question—transport expenditure. After all, in Russia the delivery of coal is often more expensive than its extraction. How would you resolve this problem with the present lack of money?

[Solomatin] International experience shows that if a mine is more than 1,000 km from the seaboard then all its profit is eaten up by transport expenses so coal mining in such a place is not profitable. But in Russia the best deposits are situated deep inside the Eurasian land mass. For instance, the sea is 4,000 km to the East of the Kuzbass and 3,000 km to the West. So on the international market our coal is still uncompetitive. The United States, whose rich deposits are not far from the coast, sells coal far more cheaply.

Transport charges in Russia are now close to world levels. So our coal deposits must service mainly the regions in the immediate vicinity. For instance, the Kuzbass supplies the Kuznetsk metallurgical combine and the West Siberian metallurgical combine in full and in part three plants in the Urals and the Lipetsk metallurgical combine.

But what about the Far East, which now has a great need for coal for heat and power engineering? We are increasing their extraction at local mines—at the Luchegorsk, Pavlov, and other mines of Maritime Kray. But until their yield has reached the necessary level we are having to transport coal at great expense from the Kuzbass and the Kansk-Achinsk fuel and energy complex. And for that period a preferential rate for the transportation of coal from remote deposits is needed for Maritime and Khabarovsk Krays. We hope the government will introduce these concessions on which the life of enormous regions depends.

[Dmitruk] But scientists propose to bypass the transport problem by sending over thousands of miles not coal but electricity generated by stations constructed where the black gold is extracted. Expenditure on the construction of stations and power lines would rapidly be recouped—in contrast to expenditure on shipping coal?

[Solomatin] You are absolutely right. Formerly transport costs in Russia were miserly and so no one took them into account—and as a result we constructed many heat and power stations very far from the coal extraction regions. But now they must be brought as close as possible together. And we are ready for this.

But will power workers want to close the heat and power stations to which coal is brought from a long way off and to construct new ones in the mining regions and extend power lines from them? In each specific case we must calculate precisely together which will be cheaper.

[Dmitruk] But here the nuclear power workers propose to give you a "surprise." Recently the experts' consultative council for the scientific and technical policy of the Russian Union of Industrialists and Entrepreneurs approved the concept of floating nuclear heat and power stations for Chukotka, Khabarovsk Kray, and maritime Kray. It said that the nuclear ships would be brought up to the shore—and entire cities will be provided with electricity and heat. The only thing we fail to understand is how these nuclear thermal and electrical power stations will be buried in 40 years' time if even now Russia has no money to bury tens of obsolete nuclear power stations and submarines. But perhaps "Rosugol" does not need assistants—it will be able itself to meet these regions' growing demands for power?

[Solomatin] Our capacities are entirely adequate for the purpose. We must expand the open coal mining which already exists at large deposits and open small local pits of which there is a very large number in these regions. Expenditure on transport here will be miserly since small mines are situated alongside transport mainlines.

[Dmitruk] Nonetheless our coal is "harder" than U.S. or Australian coal—perhaps the IMF is right in suggesting that "Rosugol" be wound down?

[Solomatin] No way. for instance, imagine what will happen if we begin to wind down mining in the Kuzbass now. Coal will have to be transported to the Urals from the Baltic republics or the Sea of Okhotsk but that is utter ruin.

[Dmitruk] But perhaps it could be brought in from Kazakhstan?

[Solomatin] Even that is declining. Metallurgical production needs a wide variety of coals, which does not exist in Kazakhstan. Moreover, coal mining there is not extensive: Last year just 1 million tonnes of Kazakh coal were shipped to Russia. And we supplied 6 million tonnes of coal to the Lipetsk combine alone.

[Dmitruk] Your account instills the hope that the problems of Russia's coal industry will be resolved. Can you promise this to the striking miners?

[Solomatin] Undoubtedly. Our programs are supported by the government. It understands very well what problems can arise in the metallurgical industry and power engineering and that they can be resolved only through the coal industry.

[Dmitruk] You mean that the government knows that gas could run out within 50 years and oil could run out even earlier and it is concerned to develop the coal industry—so the miners can look into the future with confidence?

[Solomatin] Yes, they can be in no doubt that Russia's coal industry will develop dynamically.

National Affairs

Interior Ministry Reports May Day Rallies Peaceful

LD0105145395 Moscow INTERFAX in English 1321 GMT 1 May 95

[FBIS Transcribed Text] KIEV, May 1 (Interfax)—The Ukrainian Interior Ministry told Interfax-Ukraine there were no violations of law and order during May Day actions throughout the country.

Rallies and demonstrations in big cities collected about 5000 participants who sharply criticized the activities of the president and government.

The rally in Kharkov denounced the policy of "introducing capitalism pursued under the influence of the IMF". A leading member of the Socialist Party and the chairman of the parliamentary defense and security committee Vladimir Mukhin declared that while Leonid Kuchma came to power with support from East Ukraine he now works for the benefit of West Ukraine. The local Socialist leader Georgiy Milyukha declared intentions to launch a campaign for the resignation of the president, if the current policy continues.

The rally in Donetsk passed a resolution demanding cuts in the rates of utilities and transport fares and stressing the need for regional economic independence with maximum powers. "If public demands are ignored once again, working people of the Donetsk coal basin will demand the removal of the president," it says.

There were small-scale demonstrations in West Ukraine. In Lvov marchers brought flowers to the monuments to Vladimir Lenin, Taras Shevchenko and Ivan Franko.

Left-, Right-Wing Forces Hold Rallies

LD0105162995 Moscow ITAR-TASS in English 1549 GMT 1 May 95

[By Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] KIEV, May 1 (Itar-Tass)—"We should use the May Day celebrations as an opportunity to consolidate all political forces in Ukraine and unite people in order to build a strong and prosperous state," Ukrainian parliament chairman Oleksandr Moroz said.

Speaking at an almost 12,000-strong May Day rally in Kiev on Monday, Moroz, who is also the leader of the Ukrainian Socialist Party, said that the major challenge facing the left-wing forces is to "unite the society." "Your convictions, tolerance and understanding of the situation should be passed on to the entire population of the country," he added.

Many speakers criticised the current situation in the country. Aleksandr Barchuk, head of the Ukrainian Union of Workers, noted that "the president's policy of reform has failed completely." In his view, "national separatists who surround the head of state are leading the country into an abyss." Barchuk demanded an immediate resignation of President Kuchma.

The rallies and demonstrations held by the national democratic forces of Ukraine were unusually calm and quiet. Vyacheslav Chernovil, leader of the Rukh nationalist movement, Vladimir Yavorivskiy, head of the Democratic Party, and Mikhail Goryn, leader of the Republican Party, urged the demonstrators who gathered on Sofiiskaya Square and all people of Ukraine to unite and build an independent state.

At the same time, some speakers called for the dissolution of the present parliament and resignation of its "communist leadership."

Left-Wingers Stage Anti-Kuchma Rally

LD0105123795 Kiev UNIAR in Ukrainian 1130 GMT 1 May 95

[FBIS Translated Text] Kiev—"Kuchma's policy - Ukraine's death." Under this slogan, formulated by the Communist and Socialist parties of Ukraine, a 4,000-strong column of "left-wing" forces marched from the Square of Glory down Hrushevskyy Street to the Leninist Komsomol Square. A rally was then staged near the Ukrainian parliament building.

The Communist Party of Ukraine, the Socialist Party of Ukraine, the "Working Ukraine" association, the All-Ukrainian Union of Workers, the Union of Communists of Ukraine, the Union of Working Women for the Future of Ukraine's Children, and other organizations were the organizers of the event and its participants. The column was led by Oleksandr Moroz, chairman of the Supreme Council of Ukraine (and chairman of the Socialist Party of Ukraine); Oleksandr Tkachenko, first deputy chairman of the Ukrainian Supreme Council (and deputy chairman of the Peasants Party of Ukraine); People's Deputy Petro Symonenko, first secretary of the Central Committee of the Communist Party of Ukraine; Anatoliy Bondarchuk, deputy to the Kiev City Council and chairman of the All-Ukrainian Union of Workers; members of the of the Ukrainian Supreme Council Presidium; communists Borys Oliynyk and Oleksandr Yakovenko; People's Deputies communists Yevhen Marmazov and Serhiy Aksyonenko; and Natalya Vitrenko, a member of the Socialist Party, attended the event.

Oleh Hrachov, first secretary of the Kiev City Committee of the Communist Party of Ukraine, opened the rally. Anatoliy Bondarchuk, chairman of the All-Ukrainian Union of Workers, and other speakers sharply criticized the president's policies and called for an "all-Ukrainian action for the resignation of Leonid Kuchma" to be taken.

For his part, Oleksandr Moroz, chairman of the Supreme Council of Ukraine, said that "nobody will help us except ourselves and our honest labor."

The rally adopted an address to the people of Ukraine. It contains an appeal "To restore Soviet power in Ukraine."

Leaders of left-wing political parties and the Supreme Council of Ukraine laid flowers at the monument to Lenin.

Moroz: Consolidating Social Groups Leadership Priority

LD0105144095 Moscow INTERFAX in English 1321 GMT 1 May 95

[FBIS Transcribed Text] KIEV, May 1 (Interfax-Ukraine)—The chairman of the Ukrainian parliament Oleksandr Moroz believes that the main task of the country's leadership is to consolidate all social groups.

He told a May Day rally in Kiev that the situation in the country is almost disastrous, not simply critical. However, in his opinion even a nation-wide action or the resignation of any structure will not change the situation. "We can only rely on ourselves, our efforts, the development of productive forces," he declared.

Moroz criticized right-wing and nationalist parties for refusing to hold a joint May Day demonstration with the left wing and called their approach absurd and hopeless.

According to an Interfax - Ukraine correspondent, as many as 5000 people rallied in Kiev. They carried slogans protesting against economic reforms and saying no to capitalism.

Tsekov: Kiev Will Try To Prevent Crimea Referendum

LD0205104095 Moscow ITAR-TASS in English 1023 GMT 2 May 95

[By Lev Ryabchikov]

[FBIS Transcribed Text] SIMFEROPOL May 2 (Itar-Tass)—The Ukrainian leadership does not conceal its intention to postpone the elections to Crimean local councils, scheduled for June 25, Ukrainian cabinet member Valeriy Pustovoitenko told a meeting of the Crimean government, which was held in Yalta on Tuesday [2 May].

According to the minister, the elections may disrupt the holiday- making season in the Crimea earning great revenues from holiday-makers who come from Ukraine and mostly from Russia.

"This is done specially to deprive us of a chance to hold a referendum on that day to confirm the Crimean Constitution repealed by the Ukrainian parliament," speaker of the Crimean parliament Sergey Tsekov told Itar-Tass here today.

"Otherwise, it does not make any sense to postpone the elections for the second time, preparations for which are going full blast," he added.

"We shall do our best for the referendum to be held," the speaker said, "although we understand that we shall be opposed in every way by the present Crimean government and heads of local administrations who were promised extension of their term of office.

"Such actions will not add to the prestige of Ukraine," he stressed.

Crimean Speaker Views Referendum on Constitution

LD0105145195 Moscow INTERFAX in English 1403 GMT 1 May 95

[FBIS Transcribed Text] SIMFEROPOL, May 1 (Interfax - Ukraine) - Only one question - the confirmation of the May 6, 1992 constitution of Crimea - might become the sole question in the Crimean referendum, the speaker of the local parliament Serhiy Tsekov told Interfax-Ukraine in an exclusive interview Monday [1 May].

He said the parliament will examine the protest from the Ukrainian Prosecutor General against the referendum and probably agree with it in part.

Tsekov said the parliament can drop the question about the Ukrainian law on the autonomous republic of Crimea and leave only the constitutional question.

"We will never agree with loosing the possibility of holding a constitutional referendum in the framework of acting legislation," the politician said.

In his opinion the violation of general principles of democracy and a tough stand on matters related to Crimea have become typical of the Ukrainian leadership. He described the actions of the Ukrainian leadership with regard to Crimea as lawlessness.

"I do not think Ukraine will ever become a normal country, if people coming to power will permit themselves do such things to their own people," Tsekov said. He called treachery the call of the Crimean Prime-Minister Anatoli Franchuk to dissolve the local parliament.

Economic Issues

Gas Debts Likely To Cause 'Financial Upheavals'

WS0205085895 Kiev SILSKE ZHYTTYA in Ukrainian 27 May 95 p 7

[Article by Serhiy Sokolovskyy: "'Ukrhazprom' Keeps Low Profile at the Stock Exchange So Far. But Its Pressure May Cause the Karbovanets To Plummet"]

[FBIS Translated Text] The National Bank of Ukraine's [NBU] harsh monetary actions have stabilized the Ukrainian karbovanets. Yet, this process may be disrupted.

One of the largest buyers of hard currency—the "Ukrhazprom—has been keeping a low profile at the stock exchange so far. It has been keeping a low profile due to total nonpayments, at the same time as the gas debt has risen to $452 million in the first quarter alone. The NBU is inclined to believe that the implementation of the presidential edict on resolving the nonpayments problem will make it possible to recover a substantial sum from the debtors. The "Ukrhazprom" will enter the stock exchange with karbovantsi, and our national currency may then plummet. The NBU considers such developments extraordinary, and, according to NBU Director Viktor Yushchenko, the bank is ready for this, though only at 70 percent. It pins great hopes on the first part of the stand-by loan, which will soon arrive in Ukraine.

Another scenario is also possible. Our country's main banker worries about the NBU's increasing hard currency reserves, which, according to the stabilization plan, should decrease. This means that currency circulation is slowing, which cannot be considered a positive thing. At the same time, the "Ukrhazprom" is... rapidly collecting debts, since consumers persistently do not want to, and cannot pay. There is no money, so there are no problems. Nor is there a law—apart from the presidential edict and an amendment to it—which would make them repay their debts. True, this does not relieve anyone of responsibility, though this principle is quite unpopular in our state, all the more so, since one can always obtain some subsidies. So debtors openly state that gas should be the state's concern.

In general, financial upheavals are very likely. The stock market is waiting for the "Ukrhazprom," and it is seriously preparing for its pressure.

Unemployment Continues To Rise

LD0205104895 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 2 May 95

[FBIS Translated Text] About 120,000 people were registered at Ukraine's employment services in the first quarter of 1995. According to the Ukrainian Ministry of Statistics, this is about 10 percent more than in the fourth quarter of 1994. Almost 34,000 people from among the able-bodied population qualified for unemployment status. Of every 100 people registered as unemployed, 70 are women.

Moldova

Lebed Statement on 14th Army Weapons Denied

LD0105140795 Moscow Mayak Radio Network in Russian 1300 GMT 1 May 95

[FBIS Translated Text] Our special correspondent Yuriy Selivanov has reported by telephone from Tiraspol on the official reaction of the Dniester authorities to yesterday's statement by Lieutenant General Aleksandr Lebed [Russian 14th Army commander] that Dniester people are preparing to seize his army's weapons. Let's listen to Yuriy Selivanov.

[Selivanov] At a May Day rally in Tiraspol today, Dniester-Moldavian Republic President Igor Smirnov categorically denied General Lebed's accusations that government circles in the Dniester region are drafting plans to seize the Russian troops' arms and property by force.

In his speech, Smirnov stressed that the fate of the 14th Army's property should be decided at negotiations attended by all the relevant parties, including the authorities of the Dniester region, where the army is stationed. The Dniester Republic president stressed that the current reorganization of the staff of the 14th Army by the Russian Defense Ministry is an internal affair of the ministry and should not reflect upon the status of the Russian troops in the Dniester region. Igor Smirnov also expressed his confidence that Russia would continue to play the role of the chief guarantor of peace in the region and would prevent a resumption of the armed conflict here. The May Day celebrations in Tiraspol and other Dniester towns took place in a calm atmosphere and were well attended. There are no indications of any attempt by the Dniester authorities to seize weapons from the stores of the 14th Army.

Reasons For Poor Election Turnout Reported

LD0105113795 Moscow ITAR-TASS in English 1117 GMT 1 May 95

[By Valeriy Demidetskiy]

[FBIS Transcribed Text] CHISINAU, May 1 (Itar-Tass)—Run-off elections to the local bodies of power held last Sunday [30 April] in Moldova did not yield, as was expected, the desired results. The day of their holding coincided with the Remembrance Day of the deceased, hence a poor response of voters in electoral constituencies, especially in cities.

Judging by provisional figures published in the press today, the run-off elections were held only in 140 out of more than 200 settlements. Only about 20 percent of the registered voter turned up to exercise their franchise in Chisinau, the largest electoral constituency of Moldova. Almost the same picture was in a number of other cities and villages, where, according to the legislation, the executive power will now be appointed by the Moldovan President.

According to observers, the prevailing situation is quite good for the ruling "Agrarian-democratic party" of Moldova, which had won about 48 per cent of the local soviets at the April 16 elections, and now firmly holds power not only in the Parliament, but in provinces as well. The opposition alliance of democratic forces has won only about 20 per cent of mandates, the recently revived part of communists—about 15 per cent and the socialist bloc—9 per cent.

Kazakhstan

Asian Economic Official Views Regional Integration

LD0105133595 Almaty PANORAMA in Russian 29 Apr 95 p3

[FBIS Translated Excerpt] The EC is ready to offer Kazakhstan, Uzbekistan, and Kyrgyzstan economic integration know-how.

Serik Primbetov , chairman of the Executive Committee of the Intergovernmental Council of the Republics of Kazakhstan, Uzbekistan, and Kyrgyzstan, answers questions put by PANORAMA.

[PANORAMA] How effective, in your opinion, was the recent meeting of the prime ministers from the point of view of the dynamics of the development of the Central Asian Economic Union?

[Primbetov] [passage omitted] In a situation where Kazakhstan depends on Uzbekistan (for gas) and on Kyrgyzstan (electricity) many local economists propose to escape from this by finishing the construction of the South Kazakhstan Regional Power Station and by building a North-South energy bridge. But this would take much time, require huge expenditure and aggravate ecologic difficulties.

I think today we must change the very strategy for solving the dependency issue. Europe is raising its borders while toughening economic sanctions; in other words, the entire world is struggling not for production, but for consumers. For the sake of this principle, there is the evidence at least that Uzbekistan has begun to wonder whether it is worthwhile being so tough in dictating the price for gas. This apart, the trend toward a self-sufficient economy is continuing in Uzbekistan, while simultaneously using the advantages of economic integration. In short, today, the most painless way for us is to adopt the principles of GATT, right up to signing up for it. [passage omitted: comparison of Central Asian and Russia-Belarus-Kazakhstan customs unions]

[PANORAMA] Indeed, the common ethnic origin will afford little help, for the time being, in regulating strategies and the speed of economic reforms in our states...

[Primbetov] Uzbekistan is at present trying to follow the Chinese path: tough state regulation of market reforms. We can analyze their experience, as their macroeconomic indicators are high and stable enough. But, obviously, they are also right who suggest that such measures might later lead to a collapse of the economy.

That is why [Uzbek President] Islam Karimov proposed holding a conference on the methodology of forecasting and statistics, which is set for June this year. I think this is very necessary for us, as the statistics we have now are rather conditional. [passage omitted; time needed to synchronize legislation]

[PANORAMA] Is the possibility of Turkmenistan's and Tajikistan's entry into the Central Asian alliance being discussed on an official level now?

[Primbetov] There can be no doubt from the economic point of view about the need for Turkmenistan to join, as they have huge reserves of gas there. But its gas pipeline runs through our territory. And hardly any mineral and raw material resources have been explored. There have been no official proposals from either sides yet. Turkmenistan is waiting, for the time being, although [Turkmen President Saparmyrat Niyazov] Turkmenbashi's behavior does not suggest he wants to rush into our arms. He is more interested in the prospect of becoming a second Kuwait.

As for Tajikistan, the Tajik contagion could infect any of these states, moreover as there are interethnic grounds for this. Besides that, the danger of fundamentalism is serious enough. Yes, on the whole, we would not like to interfere in anyone's domestic affairs, whoever they may be. One of the unspoken conditions of our union is the absence of conflict zones.

[PANORAMA] Can one judge the regional union's degree of influence by outside reaction?

[Primbetov] Russia is always keeping a close eye on us. Indeed, the latest statement by [Russian Foreign Minister] Andrey Kozyrev has disturbed international circles - it was in any case inappropriate. And it was aimed at halting integration processes. Much attention is being paid from Europe. As for the South, specifically, interest is being felt from Turkey and India. We must be aware that this interest in us is backed up from the point of view of the goods market. Apart from that, our union, all told, will help us to use the potential of the Middle East, the Asia-Pacific region and the Arab world. Moreover, it goes without saying that the Central Asian alliance must remain a secular union.

It is true that the most effective external assistance has come, as always, from one of the [European Commission's] TACIS programmes: manpower and labor resources, and legal aid in preparing the common market. The aim is to transfer EC know-how, specifically on the Benelux (small states) model, in terms of economic integration. I think that this way would be fruitful for us. If we do not abandon our sometimes ambitious legislative plans and accept world standards, then we cannot exclude the possibility of Tajikistan's path for us as well.

Oppression of Russians Termed 'Genocide'

954F2168A Moscow ROSSIYA in Russian No 10, 19-25 Apr 95 p 5

[Article by Anatoliy Vorontsov: "Is It Pleasant To Live, Brothers?"]

[FBIS Translated Text]

Where are you, Russian star?

Will you hide long

In the mist, Russian star,

Or by some optical trick

Will you reveal yourself forever?

—F.I. Tyutchev

Taldy-Kurgan—In Issue No. 8 of the newspaper MEGAPOLIS-KONTINENT, an interview was published with the ataman of the Semirechenskiy Cossack Hoard, N. Gunkin. Let us say frankly that it was a very soft interview. Reality is quite a bit harsher than the ataman sees it. I am in complete agreement with his appraisal of the situation of Kazakhstan's economy as catastrophic. And so it is—I do not know whether the republic will even be able to conduct a normal spring sowing. But to his utterances relating to the position of the Russian-speaking population I am categorically opposed.

N. Gunkin characterizes policy with respect to the Russians as a mild squeezing out. It is nothing of the kind: What is taking place is a most real genocide, which is confirmed by thousands of facts. It is not possible to list them all, so I will limit myself to a few.

We will be speaking about Taldy-Kurgan Oblast, a region in southeast Kazakhstan. Let us begin at least with Taldy-Kurganskiy Rayon.

In the fall of 1993, six Kazakhs came to the animal husbandry farm of the Cossack A. Kuryatov and demanded a large sum of money, threatening in the case of a refusal to take reprisals against him and his family. The police were informed of this. With the aid of the Cossacks, the extortioners were caught and held in custody for a time, then they were quietly released. To A. Kuryatov's question as to why this was done, the authorities refused even to answer.

A more outrageous case took place with the ataman of the Karabulakskaya stanitsa, L. Krakhmal. One evening in the winter of 1994, several Kazakhs fell upon him and beat him up. Among the attackers was the son of the deputy head of the local administration, Bayzakov. Needless to say, the ataman reported the attack to the police. An investigation was begun, but it never came to anything. At the police headquarters, Krakhmal was told, straight out of Gogol, that he beat himself up. Complaints to higher levels of authority went unanswered.

In June of 1994, at the club of the sugar plant in the settlement of Karabulak, where the Cossack Sergey Popov was standing guard, a group of local policemen burst in, knocked him off his feet, and subjected him to a cruel torture. They beat S. Popov's head against the floor, kicked him in the ribs, shouting mockingly that this was how it would be with all Cossacks and Russians. The hooligans, naturally, were not punished. Moreover, the organs for the preservation of law and order created such an atmosphere around Popov that he had to go into hiding for a long time.

At the present time at the Taldy-Kurgan Rayon department of internal affairs, there has been a criminal case on the burglary of the home of the Cossack Bezhko. The guilty parties are known, and they have confessed to the crime, but the case is not moving ahead. And, evidently, it will never be concluded. After all, Bezhko does not have the good fortune to belong to the indigenous nationality. Incidentally, this case is very well known at the higher levels, but they are not reacting in any way.

Now let us go to Sarkandskiy Rayon. In the spring of 1994, residents of the villages Topolevka and Pokatilovka invited the oblast government of the Cossack community to come and tell about the movement's goals. They came and talked, and immediately a number of the residents decided to join the community. On the next day, pogroms began in the villages. Drunken Kazakhs, stirred up by the local higher-ups, came up to Cossacks' houses, broke the glass, and threatened them with murder. At the home of the Cossack Shnayder, they led his livestock out and killed his dog. A member of the board of a local kolkhoz, Baygandysheva, shouted that the Cossacks' sex organs should be ripped out by the roots and thrown into the stream. Why into the stream, she did not explain. Evidently so that they should be carried as far away as possible.

Analogous outrages occurred in Topolevka as well.

It is well known that Cossacks do not leave a friend in trouble. When news came of the pogroms, members of the community government A. Kuryatov and A. Bondarenko rode out to Sarkand. They were not even permitted to get as far as the rayon administration building; they were seized and arrested. They were arrested merely for the fact that they had dared to express a protest. A few days later, the Cossacks A. Kletskov, I. Shevelev, L. Ovchinnikov, and A. Drozdov were subjected to arrest. An attempt was made to arrest the author of these lines as well.

As is known, in June of 1994, the republic's Ministry of Justice granted the Semirechenskiy Cossackry an official status—a society for assistance to the Cossacks was registered, and the appropriate certificate given. This certificate was reproduced and sent out to the villages. It would seem that there was nothing criminal in this. Nonetheless, the Cossacks P. Chernyayev and A. Kravchenko were arrested for seven days for having read this certificate aloud in front of their fellow villagers.

In the village of Topolevka in 1993, a certain M. Batpakov raped 13-year-old Andrey Kotovich. The rapist did not suffer any punishment: Evidently, he paid someone off. In the pre-Easter days of 1994, his father, S. Batpakov, ran drunkenly around the village, shouting that the Russians would color eggs with their own blood. We think that any commentaries would be superfluous here.

We will conclude our brief chronicle with the city of Taldy-Kurgan. The local authorities at every meeting with the public reiterate that there is no inter-nation tension in the city.

But that is far from the case. In November-December 1994, the Cossacks L. Ovchinnikov, N. Pyanov, P. Zuyev, A. Malakhov, and the author of these lines were subjected to administrative arrest merely because they declared that it would be easier for Kazakhstan in a union with Russia than the opposite.

Here are a few more facts. The Cossacks A. Kuryatov and A. Malakhov have been brought to ruin by the tax department. We will note in passing that businessmen from the ranks of the so-called indigenous nationality are not touched; it is only the Russians who are squeezed, especially the Cossacks.

And they do not stop at firing people from their jobs. Thus, V. Nosach was fired exclusively because he is a Cossack. They did not even trouble themselves to look for an appropriate explanation. Now they want to fire his son.

But firing, of course, is a trifle in comparison with murder. Yes, in addition to everything else, Russian people are also killed, and with impunity. For more than two years now, the cases of the murders of G. Torbin and P. Shamin have been roaming from one instance to another. The murderers are known; one would think that they would be captured and brought to trial. But they are not being captured and not being brought to trial, because their relatives occupy important posts. They are the ones who lead the murderers of Russian people away from responsibility. One more example: In November of 1994, A. Palgov was killed by B. Agaytov. The murderer was not even taken into custody, but got off with the lightest scare.

Recently, President Nazarbayev signed a number of super-tough laws. They were primarily directed against the Cossackry. Now the police have taken to visiting us—they threaten us, picking at the smallest trifles, harassing us even late at night.

In his interview, N. Gunkin rightly said that the Cossacks are a patient people. However, any patience has its limits. So what do the authorities want in testing our patience? Also hard to understand is the cold-blooded attitude of the Russian authorities toward the suffering of their countrymen abroad. They could stand to learn something in this regard from the United States of America. Everyone knows what kind of a hubbub is raised there when one or two of their fellow citizens are arrested somewhere. And here we are talking about millions. Or is it true that the Russian star has gone down forever?

Suleymenov on Referendum, Consequences

954F2177A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 26 Apr 95 pp 1-2

["Letter to Members of the People's Congress of Kazakhstan Party, and Not Only Them" from Olzhas Suleymenov: "The Person Who Thinks About the Consequences Is the Bold One"]

[FBIS Translated Text] A joint statement of several parties on support for the idea of the referendum was published at the start of April. It takes a positive view of the foreign and domestic policy of Nursultan Nazarbayev, president of the Republic of Kazakhstan.

The document was signed on behalf of our party by First Deputy Chairman V. Rogalev. I was out of town, and the text of the joint statement was discussed in the NKK [People's Congress of Kazakhstan] Executive Committee and agreed with me by telephone. Our involvement in this action evoked different interpretations in the party's oblast branches. This letter was dictated by the need for a more detailed explanation of our position prior to the referendum.

It was determined on 26 March at the Almaty party conference that party work should continue, responding rationally to the changing situation and changing tactics, but not aims and principles.

Only artificially created parties are arranged like canals, along a straight line. And those that emerge naturally, not at the command of the moment but at the command of the times, like rivers which are not concerned about an ideal straightness of bed, make a way for themselves through mountains and rocky wastelands. The river's job is not to reach the ocean but to water land capable of bearing fruit.

What is party work under our conditions? The political enlightenment of the masses and the cultivation in society of confidence in itself and in its right to exert a salutary influence on its fortunes by means of choice of the most accurate direction of development. The accomplishment of this task is not exhausted by the coming referendum and is geared to the long term.

Unfortunately, the material of the conference was not published sufficiently fully: The newspapers NARODNYY KONGRESS and KHALK KONGRESI were unable to appear owing to financial difficulties. Our documents were published in summary form by KAZAKHSTANSKAYA PRAVDA, and it is for this reason that I have sent this letter to the editorial office of this newspaper.

I

At the end of October 1994 we announced the party's constructive opposition to the official reform policy. We said that we had always shared and supported the president's political program. We disagreed with the economic program and with the orientation and reliance of the new government on methods of "shock economics." We were forced to protest at precisely that time by the particularly disturbing situation ahead of winter, which, according to many forecasts, could have been catastrophic. Expressing the mood of society, our statement stimulated the activity of the leadership in the economic and law-making spheres to a considerable extent.

This is, in fact, the main role of a constructive opposition—to contribute to the improvement of power. From our first congress we announced the party's centrist nature and the unacceptability of the categorical revolutionary "either-or" principle. We have always been guided by the "and-and" evolutionary integration principle recognizing creative interaction with all the active forces of society and the authorities.

In none of our actions have we retreated from this principle. In the joint statement either. We remain in opposition to the government of unpopular measures. In these six months we have prepared a package of proposals capable of humanizing the mechanisms of economic reform.

II

The need for this approach is growing by the day. And judging by the law-making actions of the president in these two months, the intention is to develop the reform in a direction leading the state out of the economic shock. By mid-1996 the living standard of Kazakhstanis should be no lower but, preferably, higher than the Russian marks. Why do we highlight this date?

In order to rationally build Kazakhstan's present, politicians are required to view its future not in isolation but in a world and regional context.

New elections for the president of the United States—the leader of the process of world democratization—will be held in November 1996. The Democrat Clinton could give way to a Republican. The Republican Party has for the first time gained a preponderance in both houses of Congress. The electorate supported the program that the Republicans will take to the presidential elections. The essence of this program is a return to a policy of isolationism. Aid to foreign countries and benefits for their "own poor" will be cut back sharply. The funds thus released will be channeled into a strengthening of ABM defenses (the SDI project will be resuscitated). The role of world gendarme and kind uncle will be replaced by an impregnable fortress image.

There will, accordingly, be a decline in interest in the fortunes of countries that have been promised material and military support in the event of a threat to their democracies. Even now the hopes of some implacable democrats on Uncle Sam are akin to the hopes of the Stargorodskiye monarchists from the Union of Sword and Plow planning to overthrow the Bolsheviks in the firm belief that "the West will support us!"

The progress of the economic transformations in the Russian Federation will be of great significance for the Central Asian countries of the CIS. Unless the present situation rights itself there in the year, the temperature of the election campaign and its results will be hard to predict. We know the political palette (120 parties): from communists through national socialists. And they all to a varying extent reflect the prevailing mood in society. For whom to opt? The democrats and the official support parties with their shock capitalism? Zhirinovskiy: "A new Russian empire to the Indian Ocean!"? Rutskoy: "Russia within the borders up to 1917!"? Or Zyuganov: "Restore the USSR!"? More than 1 million members of the Communist Party of Russia have already been registered. How many will there be in a year's time?

What strategy are Russia's democratic forces formulating today? They recently drew a conclusion that is important not only for themselves—enlightened authoritarianism is inevitable and even essential for Russia in the transitional period: The standards of Western democracy in a semi-indigent country are unacceptable in pure form.

Those who last December opposed Yeltsin's policy as impending dictatorship are now calling on him to strengthen his authority in every possible way in order to win the elections. Enlightened authoritarianism henceforward, as they understand it, is the guarantor of the preservation and further development of democratic principles.

There may be no doubt about one thing—the elections of the summer of 1996 will be a most difficult test of the strength of Russian statehood. And Kazakhstan, which is linked with Russia by geography and blood, will undoubtedly feel the powerful influence of these events. They could perfectly well be catalysts of negative processes in our society.

III

It is the duty of both official and informal politicians equally to foresee the peripeteias of history. The inscription on Shamil's banner was "Whoever gives thought to the consequences is not bold!" This is a slogan for a warrior of the line, but not for a leader: He should be not so much brave as wise and should take account of the entire cosmos of circumstances, actual and potential. And think about the consequences of his actions for society and the state. Not concerning himself from time to time with the impressions that are made on those observing his actions.

The centrist principle of tolerance and compromise in interaction was formerly stated by Nazarbayev in his book "Without Right and Left." In a polyethnic environment open to contradictions we should expect of the head of state the consistent realization of the principle of integration expressing the essence of the Eurasian process. That he be the spokesman for popular commonsense and a master of compromise. And that he not take one side in a multifaceted society but be on the side of all. The position of being above the battle distinguished the great writers of mankind. Such as Tolstoy. Few examples have accumulated. The position of preventing a battle distinguishes the great politicians of the 20th century. Altogether few examples.

IV

Kazakhstan's geopolitical position and its demographic heterogeneousness make our country a model of the future Eurasia, as it were. The Eurasian process, the indubitable nature of whose advantages we have to prove to ourselves and to the world, could be manifested in most open and salutary fashion with us. The historically predetermined status of Kazakhstani statehood does not accept in ready-made form models of state system of the Western interpretation and rejects classical oriental forms of rule also. The exploratory formation of a symbiosis of the two principles is under way—a certain transitional model is being cultivated empirically and consciously. Something akin to an authoritarian democracy or democratic authoritarianism.

The creative activity of the system that is taking shape and the degree of its popular character will depend on the dynamics of the development of the social consciousness. On the constructive activity of the political parties to a large extent, consequently.

Years of the acquisition of independence have added to the peoples' knowledge of themselves, in the most dramatic forms at times. Moses led his tribe out of Egyptian captivity, roaming the wilderness with it for 40 years. In order that people's minds might be conclusively rid of the shackles of bondage. Not all are destined to withstand the trials by the freedom that has descended on us. We were affected, but not laid low by the epidemic of national self- determinations. Where the state was more organized and stronger than society, the people did not become a mob, and relative political stability was preserved. The most dangerous moment for it were the presidential elections of the start of the 1990's. Moldova, Georgia, Azerbaijan, Tajikistan, Chechnya.... The consequences of the abuse of freedom were even more tragic than the customary traditional abuses of power. In the years of Stalin's repression and the five- year Great Patriotic War the Tajiks lost approximately 200,000 persons. In the fratricidal war for the presidency, more than 300,000. Approximately 1 million refugees have been deprived of shelter and homeland.

Karimov: "Were I to allow free presidential elections, Uzbekistan would split into four parts tomorrow!"

This maxim will not seem far-fetched to those familiar with the state of affairs in Uzbekistan. I cannot believe that Nazarbayev is afraid of elections in December 1996 for other reasons. They were to have been held after the Russian elections, in an unpredictable situation. The outcome of the elections could have been most unfavorable under the conditions of the power vacuum that would naturally form. The main goal that our party proclaims always has been, is now, and will continue to be the preservation of peace and harmony on the land of Kazakhstan and the improvement and consolidation of its young statehood.

This is why the NKK Political Executive Committee, after serious discussion, supported the idea of a referendum and called on members of the party to vote in favor of it.

Perestroyka, which is at this time 10 years old, is still not over. It is still too early to sum up the final results. Future historians will have a better opportunity to understand the true meaning of what has been accomplished than partial contemporaries. The poet N. Gladkov has spoken well about our century: "What makes it more interesting for the historian makes it more deplorable for the contemporary." Even at the end of the century, unfortunately, we are trying at times to do everything to ensure that it be most interesting for future researchers. And the 21st century does not promise to be boring. The restructuring of the socialist into a capitalist system is merely a component of the logical process of world integration. It is essential that mankind overcome on this path the disease of bloc-formation and East-West antagonism. The world has still to go through latitudinal confrontations of the North-South type and hundreds of ethno-religious clashes of less significant a scale. No state will remain aloof from these planetary experiences.

But whereas man is not yet in a position to overcome natural catastrophes, he can and is obliged to influence tectonic shifts in human societies. Much, if not all, will depend on the degree of the intellectuality of our peoples, governments, and rulers. On our capacity for joint planning and the creation of a common future.

Everyone needs to think about this, while there is time, in order to begin to Understand, Forgive, and Interact.

Tereshchenko Affirms Support for Nazarbayev

954F2188A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 27 Apr 95 pp 1, 3

[Interview with Sergey Tereshchenko, chairman of the National Agency of Foreign Investment, by Grigoriy Dildyayev, KAZAKHSTANSKAYA PRAVDA; place and date not given: "Sergey Tereshchenko: 'I Was and Remain an Associate of the President'"]

[FBIS Translated Text] The government once again reported back to the president on 11 October of last year. The anticrisis program adopted three months ago has failed. The discussion was difficult and nervous. The kind of atmosphere that precedes a storm was building up in the meeting hall on the sixth floor of the president's residence. Nazarbayev's sharp comments came to mind. He lashed out at the prime minister: "You do not have a team..." At the minister of finance: "The deputies forced you to adopt an inflated budget, and you, a professional, did not refuse to implement it..." At Chairman of the

GKI [State Property Committee] Yesenberlin: "With your arrival, privatization in Kazakhstan slowed down..."

Quite a few other sharp and bitter words were spoken. Nevertheless, the latent conviction that the report scenario would be the usual one did not recede: Analysis of the situation with emphasis on emerging positive features—criticism—and a promise to correct the situation. Therefore, frankly, the end of the president's speech turned out to be especially surprising: "I think that the entire membership of this government should resign. Cosmetic measures did not create a capable team." Those present froze, and a painful silence fell on the hall.

An intermission was announced, during which the Cabinet of Ministers held a meeting and adopted a resolution on resignation. When everyone returned to the president, Sergey Tereshchenko read out his text. Concluding, he looked at Nazarbayev... A procedure and a precedent were being established: The resignation of the government was being undertaken for the first time, and the main characters did not know what they should do at this moment and how they should do it, as nothing was stipulated by any protocol. Nazarbayev stood up and accepted the sheets of paper with the text of the resignation from Tereshchenko, saying briefly: "Give them to me." They stood next to each other for a second—the usual proximity of the two people in recent years...

[Dildyayev] Tell me, Sergey Aleksandrovich, did you leave offended?

[Tereshchenko] I experienced complex feelings at that moment, but, believe me, it was not resentment that prevailed even at that time. All the more so after some time had passed.

[Dildyayev] On resigning, where did Tereshchenko go—into opposition, into private business? A half year went by in silence. You did not make an announcement, or give a celebrated interview. So exactly who is Tereshchenko now, an associate of Nazarbayev, an opponent, a contemplator, or an entrepreneur who is making use of his rich connections?

[Tereshchenko] I will never go into opposition to the president. Most of all because he and I are linked by longstanding purely human relationships. I shared his policy even then, and I share it now. I consider myself an associate of Nursultan Abishevich, I am not offended by the definition "staunch presidential soldier," and I feel that I am a member of his team.

As for business. I decided to try my hand at this difficult work. I have good contacts—in Russia, in other CIS states, and in some countries of the far abroad. This is my capital. I established a joint-stock company—the international Integration fund. I consider one of the tasks of the fund to be the attraction of foreign capital to Kazakhstan and the preparation of major investment projects. First and foremost in agriculture. We gave fuel for the harvest this year. We will supply small mills, bakeries, and equipment for processing meat, milk, and vegetables. We organized a transport company and are establishing leasing companies.

This is why I did not make an announcement for half a year. It was necessary to conceptualize my new situation and convince myself whether or not I would be able to work in a new field. Now I feel confident as a businessman. Structures have been established that are attracting financial resources from the West to the republic, and we are not asking and will not ask for anything from the government. On the contrary, we will help the president and the government.

[Dildyayev] You were not in the public eye for six months, but you read the press and followed the development of events in the country. How do you, in particular, assess the critical remarks directed at you that were heard after you left, and do you know what their point is? What do you agree with now, and what do you disagree with?

[Tereshchenko] To say that I treat everything indifferently would simply be a pretense and dishonest. I react oversensitively; however, I try to analyze a particular view. I frequently perceive that criticism is directed specifically against me and not against the government that I headed. All its errors and defects fall to me, the prime minister. But at the same time I also approach many of the statements critically. I am prepared to sit down at a table with any opponent and debate and show why a particular decision was made one way and not another, and why I acted the way I did in one or another real situation. It is necessary to remember the context of the times, but we are all very wise after the event. To say that I am sinless... No, this cannot be said. I made mistakes, we all made mistakes. Although there were no big mistakes. There were tactical mistakes, but, really, the policy was correct.

We remained the first government of a sovereign state in the history of Kazakhstan. And I did not see a serious critical analysis of the activity of our government. I think its time has not yet come.

In trying to achieve success in private business, I want to prove that I am able to work not only when I am invested with authority. Incidentally, I invited many people from the former government to come with me. They did not venture to do so—with the exception of some individuals. I would also like to make the offer to the deputies of the former parliament. After all, they did give me a lot of advice on how to work, and criticism. Let Isergepov now establish a private clinic, and Marinushkin—a private enterprise... We will all see together what will come of this. No, after all, they are waiting to see what kind of portfolio Ye. Asenbayev's job placement bureau will offer them.

[Dildyayev] Nevertheless, what about your assessments: What succeeded and what did not?

[Tereshchenko] The strategy the president established at the first stage of the development of reform was generally implemented, and we also started the second stage... Looking back, I think that it was necessary to accelerate the pace of privatization. For example, Russia went far ahead in this respect. Very likely, nevertheless, it was necessary to set a price for coupons, because people do not feel like owners, and often they simply do not want to be owners. I thought and still think it correct that we enlisted advanced agricultural production technology, and that we enlisted it under government guarantees, for which I am criticized so much today. But I will not renounce this, because we showed that with the help of technology our people can also get good harvests from our land.

I think that what the government is doing today in proposing that foreign firms manage large republic enterprises is correct. Otherwise, unfortunately, you will not attract investments—this is a lesson from our experience.

[Dildyayev] Sergey Aleksandrovich, did you suggest the interview to the newspaper, wishing to have your say in support of the president these days?

[Tereshchenko] A lot has been said about Nursultan Abishevich, and he has said a lot about himself in his books. However, I, a person who worked shoulder to shoulder with him for three years, also have something to say. And not only words of gratitude for the fact that he helped me in all stages of my formation, that he stuck up for me in parliament, and that my government was given a lot of independence. He never troubled us over trifles. It is more apparent to me than to many others how he treats important decisions, how he prepares for them, how he weighs them, literally each one with his heart and soul—there are enormous pressures! You honestly cannot envy this person his heavy burden.

When it is said today that he is ready to set up a personal dictatorship, everything in me protests, because I know that he is not inclined to this by virtue of his own character, mentality, and habits. He prefers so-called velvet and not power methods—perhaps at times even to the detriment of the pace of reforms. Nazarbayev is for their occurring less painfully for the people.

In supporting a referendum, the president put his name and fate on the line. This is a courageous step. Therefore I also decided to break my "vow of silence" in order to say: I know that he very much wants to make Kazakhstan a strong and happy country, in order that people of any nationality may feel worthy.

I also want to speak about those people who call themselves the opposition. A majority of them received positions from Nursultan Abishevich and moved up the service ladder with his support. And at that time they all assured under oath that they would be loyal to him to the end. As soon as they lost their positions, they immediately became "defenders of the people." Believe me, they are not motivated by the interests of the people but by a desire to wield a little power. This, incidentally, is always the way it was in history.

[Dildyayev] What do you think of the existing opinion that you ended up at the highest summit "according to a national criterion" for the government? Today the number of people of Russian nationality among workers and state officials is decreasing. Why, in your opinion?

[Tereshchenko] I leave such a claim to the conscience of its authors, but there is sense in your second question. I think that the social activeness of Russians of Kazakhstan is lower today. Why think that you are being shoved aside and that "second-rate qualities" are being accepted? I was at the highest echelon, and I know for certain that there is no such arrangement in personnel policy. It is necessary to consider oneself responsible for everything that occurs on this land, not to feel oneself a favorite, and to display great activeness and interest, and then the path to the top and to the levers of management will not be forbidden.

[Dildyayev] As a rule, someone who come downs from the highest summit sits down to write his memoirs...

[Tereshchenko] I have not thought about this, and I do not think the time has come to work on my memoirs... After all, I am just a little over 40 years of age, and therefore I think that not everything has been said and done on policy. Businessmen make policy—in any case, we will sooner or later come to such a society. [end Tereshchenko]

[begin bold]A necessary afterword.[end bold] I will not say that Sergey Aleksandrovich was all that candid. He made a lot of reservations. This is by no means for the press. In the context of the main theme of the interview I sensed that he regarded N. Nazarbayev with a genuine respect that is nurtured by sincere feelings. And also. The meeting with today's S. Tereshchenko did not evoke a feeling that he is a "has been," a person who has withdrawn. He is surrounded by a great number of people, he is full of plans, and people are flocking to him with their ideas. One senses promise in him. And so: Forewarned is forearmed...

Mangistau Ecology 'Close to Catastrophic'

95WN0146A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 26 Apr 95 p 3

[Article by Nikolay Kharin, research associate of the NIPImunaygaz institute: "The Treasure That Poisons Us: Ecological Situation at Mangistau Oil Fields Is Close to Catastrophic"]

[FBIS Translated Text] Aktau—We are used to calling oil our treasure; the entire republic budget is largely supported by the "black gold." People, however, including those engaged in oil production, quite often do not have a good idea of how treacherous this treasure can be, and how it exacts revenge for the impermissible, barbaric attitude with which it is treated by taking away people's health and sometimes their lives. Although the ecological topic has long become a permanent fixture in the mass media, it is frequently too glossed over, deceiving the population for the sake of official comfort. Ignorant unawareness and criminal distortion of facts become the perfidious allies of the enemies of the health of entire regions' populations.

The technology and process of oil production are such that oil spills and areas of land saturated with oil (called "pits" in the oil industry) exist at practically every oil field. According to the data of our institute's ecological research laboratory, in the Mangistaumunaygaz association alone more than 100,000 cubic meters of oil have accumulated in so-called "pits." The degree of soil saturation with oil is as much as 1.5 meters deep. In addition, oil from them evaporates at a rate of approximately 95 kg per tonne a month, and in the summer heat, which lasts three to four months at Mangyshlak, much more intensively. The air people breathe at oil fields is combustible, explosive, and toxic. The organs affected most are the respiratory and digestive systems, with the greatest impact on the liver. Research has showed that pit oil has a strong carcinogenic effect on plants and animals, causing, according to our data, malignant tumors. We have established that a physical-chemical change has occurred in the soil composition: The nitrogen and phosphorus content, which determine the biological value of the soil, has dropped to just hundredths of a percent; the structure and moisture-permeability of the soil have been destroyed, which creates very unfavorable, to put it mildly, conditions for soil micro-organisms. And this in turn results in a suspension of the soil's self-cleansing process. Recultivation technologies—at least those used in Mangistau—are absolutely ineffective.

We have planted wild and cultivated plants in the so-called "man-damaged" soils: The cultivated plants did not sprout at all, and the growth of the wild plants was stunted.

Overall, according to our data, the volume of hazardous substances discharged by the oil industry into the atmosphere measured more than a quintal per every inhabitant of Mangistau Oblast, including newborn.

However, soil and air pollution with petroleum products is not all that the inhabitants of the "treasure peninsula" get from their riches. Oil and gas are natural, active, nature-made absorbents of radioactive elements and to a certain extent should be viewed as mineral raw materials that contain natural radioactive substances. Because of the settling of radioactive salts on the inner surface of pipes, valving, and storage tanks, the maximum added radiation dose of this equipment exceeds the natural background by a factor of 100 or more!

It is practically impossible to remove radioactive salts from the equipment without the use of special technology. Not a single metallurgical plant accepts scrap metal from Mangistau fields for reprocessing—the level of radiation in this scrap metal is such that it cannot even be used for smelting. In theory, pipes whose useful life has run out should be stored in special places that preclude free access to people or animals; it is strictly forbidden to reuse them. Nevertheless, we have established that pipes, valves, and tanks quite frequently find a "second life" on people's personal farms, dachas, and vegetable gardens. It is hard to overestimate the harmful consequences of such a utilitarian approach to radiation-contaminated equipment.

In the city of Zhanaozen in Mangistau Oblast, for instance, tens of dacha plots have fencing made of pipes registering about 1,000 micro-Roentgen per hour [mR/hr] (the natural background in this area is eight to 12 mR/hr). In the Munayshi and Zhetybay settlements the use of "ringing" pipes on personal plots also is widespread. In Aktau new dacha plots are happily equipped with water tanks made of former oil settling tanks (more than 600 mR/hr) and pipe fencing (more than 1,000 mR/hr). It is not difficult to figure out where it all leads. Suffice it to say that isotopes of antimony, thorium, polonium, chromium, manganese, and rubidium accumulate selectively in fruit. If you run across emerald-green parsley, orange-red carrots, and giant sweet radishes at the Mangistau farmers market, it is a certain bet that, if you consume them, you will get a 10-year dose of radionuclide consumption in your body.

We also see mutation of wild plants wherever high-radioactivity ground water spills out. For instance, cane and camels' burr grow 2.5 to three times bigger than normal. Poor awareness on the part of the region's population and lack of knowledge of the consequences of the effect of toxic substances on the human body result in such plants being used as cattle feed, and radioactive pipe being used in housing construction as flooring and fences. How can we hope for healthy progeny when parents and children live in a "radioactive cage," eat radioactive meat, fruit, and vegetables, and drink contaminated milk?

From awareness and realization of danger we should, as soon as possible, take the next step—eradicate the consequences of 35 years of ignorant development and exploitation of oil fields. Yes, this will require money, and considerable amounts at that, which, I am fully aware, is not at all easy to find these days. But this is precisely a case where delay is tantamount to death—nature will exact a cruel revenge on us!

Kyrgyzstan

Ethnic Germans Continue To Emigrate From Kyrgyzstan

LD0205071895 Moscow ITAR-TASS in English 0700 GMT 2 May 95

[By Boris Maynayev]

[FBIS Transcribed Text] BISHKEK, May 2 (Itar-Tass)—Migration of ethnic Germans from Kyrgyzstan does not subside. There are 38,000 ethnic Germans left in the republic, while five to six years ago the figure was 102,000, the State committee for statistics reported today.

Jurgen Scheller, Germany's representative in Kyrgyzstan, visited the southern areas of the republic recently. He pointed out that the situation of ethnic Germans did not differ in any way from the situation of the rest of the population. The biggest industrial enterprise in the city of Mailu-Suu, in the South of Kyrgyzstan, where most ethnic Germans live, is facing serious problems. It is planned to reduce the output there. Some 2,000 people will become redundant, including many ethnic Germans.

President, Parliament Differ on Government Membership

LD0205091595 Bishkek VECHERNIY BISHKEK in Russian 28 Apr 95 p 1,2

[FBIS Translated Text] The President and parliament are again on opposite sides of the barricades. The reason for the latest confrontation is a difference of opinion over the personnel question.

As is known, when the composition of the government was being approved, the deputies turned down Finance Minister Kemelbek Nanayev and Agriculture and Food Minister Bekbolot Talgarbekov. They thereby dislodged key figures from Askar Akayev's circle: but only for a week. The Supreme Assembly had only to relax on holiday, and its leaders fly out to Turkey, for the President to restore the status quo. By decree, he appointed Kemelbek Nanayev and Bekbolot Talgarbekov acting ministers of finance, and agricultural and food.

The president's supporters maintain that the opposition, in the form of the Legislative Assembly, voted against the ministers for reasons of personal ambition alone. After all, they said, the republic would lose a great deal through the departure of the excellent financier Kemelbek Nanayev, whose name is associated with the stability of the national currency, and the favorable attitude of the International Monetary Fund and World Bank to Kyrgyzstan. Bekbolot Talgarbekov is a firm advocate of private land ownership. Both, of course, are reformers.

Strangely enough, the deputies hardly explained their antipathy towards these ministers in public at all. It was mentioned in passing that there are major "gaps" in pension, benefit and wage payments. No serious arguments were proposed against the methods of implementing land reform.

Nevertheless, there are reasons deep down why the conflict arose. It would be much easier to explain it as simply a case of the head of state's preference for loyal personnel and the parliamentarians' antipathy to bureaucrats for these same reasons. Undoubtedly, there is some sense in this. But that is just the surface: Neither side wants to discuss the real pros and cons out loud.

The deputies, having tried to take the first serious action against the president, tested the waters. Moreover, they began with those who "play the king." It is no secret that Kemelbek Nanayev and Bekbolot Talgarbekov are Askar Akayev's closest colleagues. The opposition regards the chief financier as one of the most influential portfolio distributors. It maintains that not a single appointment or distribution of leading roles on the political scene can take place without him.

If parliament succeeds in beating the president and having its own way, without any special consequences in the form of the "Kazakh syndrome" [the dissolution of the Kazakh parliament by presidential decree after a dispute with the Constitutional Court over the legality of the last parliamentary elections], then this act will have determined and consolidated the serious opposition. It would then be possible to decide on further steps with a view to 1996. It seems that Askar Akayev also understands the emerging situation.

Fairy tales about the IMF and the World Bank are for the voters. It would be really naive to think that some simple citizens could take a calculator and begin to reckon where the total sum of loan arrears, amounting to 628 million dollars, has gone, and how Kyrgyzstan will repay foreign debts by now amounting to 365 million dollars. The same goes for arguing, with the proof in one's hands, about why Kyrgyzstan did not harvest nearly half a million tonnes of its grain last year: because of the bad weather or the action of the extremely politicized farmers' organization "Dyykan-Ordo."

Let us hope that these games will not lead the whole of society into confrontation.

Kyrgyzstan Seen As Major Drugs Smuggling Route

LD2704115395 Moscow ITAR-TASS in English 1122 GMT 27 Apr 95

[By Boris Mainayev]

[FBIS Transcribed Text] BISHKEK April 27 (Itar-Tass) - About 50 kilograms of marijuana was confiscated in the airport of the Kyrgyz capital during the attempt to smuggle it into Russia. Marijuana was discovered at Manas airport during the inspection of the luggage of a Russia's citizen V. Lendel, the press service of the Kirghiz interior service reported. Criminal proceedings were instituted.

The stream of narcotics smuggled via Kyrgyzstan to the CIS and Europe does not abate. Law enforcement bodies of Kyrgyzstan confiscated over 30 kilograms of opium from the beginnning of the year. Narcotics are smuggled from Afghanistan to Tajikistan and whence to Uzbekistan and Kyrgyzstan. Further on it is smuggled to 64 points in the CIS and to Europe. This amounts to only a quarter of the opium passing through the country, staffers of the State Commission for drugs control say. Neither customs, nor troops, nor frontier guards cordons can check the stream of narcotics.

Because of peasants' impoverishment, particularly in the provinces, they are compelled to look for other profit earner. Drug business is often the simplest and most effective one. It is only a large-scale social programme that can check the flow of narcotics and curtail the areas of their circulation. But there are no funds for this effort in the Kyrgyz budget.

Economy Still in Crisis Despite Positive Trends

LD2804191995 Bishkek Kyrgyz Radio First Program Network in Russian 1300 GMT 28 Apr 95

[FBIS Translated Excerpt] A government session was held in Bishkek today.

Economics Minister Koichumanov delivered a report on the economic results of the first quarter, and on the progress in implementing government measures on ensuring restructuring in the economy in the period 1994-97. He noted, in particular, that positive changes had been observed in some sectors of industry recently, but that on the whole, the republic's economy was in crisis and much effort was needed to improve it.

Acting Finance Minister Nanayev reported on the performance of the budget in the first three months of the year. [passage omitted]

Suspension of Newspaper No Threat to Democracy

LD0105151695 Bishkek ERKIN TOO/SVOBODNYYE GORY in Russian 29 Apr 95 p 10

[Unattributed article: "Freedom of speech does not mean permissiveness, even presidents of the United States believed this"]

[FBIS Translated Excerpt] The suspension of publication of the SVOBODNYYE GORY newspaper met with no particular excitement from among readers in the intelligentsia. However, it did arouse passions among the opposition. They tried to use the argument that First Assistant Secretary of State Strobe Talbott expressed his concern at the closure of this newspaper in our country. [passage omitted]

According to the American "Freedom House" human rights society there is no freedom of speech in Azerbaijan, Belarus, Georgia, Kazakhstan, Tajikistan, Turkmenistan or Uzbekistan. Judging by these conclusions, the press in our neighbor republics is mainly under state control.

At the time there were many who considered the closure of SVOBODNYYE GORY to be the end of democracy in Kyrgyzstan. However, criticism of the president continues. Therefore, it is impossible to assess the degree of democracy in the country from the fate of just one newspaper.

Tajikistan

Premier Says Foreign Debt Situation Improving

LD0105142695 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 1 May 95

[FBIS Translated Text] There are various reports being spread via various news agencies about the debts the Republic of Tajikistan owes to foreign countries.

Prime Minister Jamshed Karimov said in an interview with the correspondent of the newspaper BIZNES I POLITIKA that, since the situation in the industrial enterprises improved somewhat, our republic has begun to repay its debts. He said that last month the monthly debt of the Republic of Tajikistan for gas was paid in its entirety. Some of the republic's foreign currency went to the neighboring state of Uzbekistan for gas supplies in April.

According to the prime minister, as soon as the political situation becomes calm, the output capacity of our enterprises will strengthen to some extent, and labor productivity will increase. The prime minister stressed in his interview that he is absolutely sure of the future prosperity of the republic.

'Militants' Said Regrouping Forces on Afghan Border

LD0105163895 Moscow ITAR-TASS in English 1558 GMT 1 May 95

[FBIS Transcribed Text] MOSCOW, May 1 (Itar-Tass)—The Moscow border guards unit reported on Monday [1 May] that Tajik militants were regrouping their forces on the Tajik-Afghan border, according to the Federal Border Guards Service.

An intensive movement of small mobile groups of militants was reported on the adjacent territory opposite the sections of the border patrolled by the 11th and 12th border posts. No clashes were reported.

On April 30, an armed group was detected in Afghanistan opposite the section of the border guarded by the 12th border post.

On the same day, the 13th border post disrupted an attempt by a group of militants to cross into Tajikistan from neighbouring Afghanistan.

Russian Communist Leader Visits Tajik Border Regions

LD0105140095 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 1 May 95

[FBIS Translated Excerpt] Last Saturday a delegation of parliamentarians from the Russian State Duma visited several areas on the Tajik-Afghan border, where they acquainted themselves with the service and living conditions of the Russian border guards. [passage omitted]

At a news conference, the majority of delegation members spoke in favor of strengthening the Tajik-Afghan border.

"Evidently, this is the only way of establishing peace in Tajikistan at present," said State Duma Deputy Stanislav Govorukhin.

And what is the opinion of [Russian Communist Party leader] Gennadiy Zyuganov? We invite you to listen to his interview with our correspondent.

[Begin recording] [Unidentified correspondent] [Russian Liberal-Democrat leader Vladimir] Zhirinovskiy said it is necessary to draw up a specific [parliamentary] resolution [on the border situation]. Can your delegation influence the State Duma...

[Zyuganov, interrupting] It will influence the Duma, the [Russian] Defense Ministry, and the government. It will have influence. Not only the Duma, but also political forces... [Zyuganov pauses, while correspondent tries to interrupt] But was it worth coming here and spending so much time? What we have revealed [word indistinct], the appropriate organizations will deal with. I understand that the country is turning into [word indistinct] If we do not cover it, we will all simply be lost. I also understand.

[Correspondent] Pardon me. We are united today by Victory Day [in World War II] and by borders...

[Zyuganov, interrupting] We are united by Victory Day, borders, economic relations...

[Correspondent, interrupting] If this border were broken anywhere...

[Zyuganov, interrupting] I am in favor of immediately reestablishing the USSR territorial border, and against attacks on our honor, sovereignty, and choice. We still have a little to resolve—in Azerbaijan, with Iran—we have agreed all the rest. We have agreed with Belarus, reestablished [the border] in Kaliningrad; there is almost agreement with Ukraine, and many others. It seems to me that it is a phased process. By the way, they include the sort of conditions that nobody anywhere could remove for thousands of years. [end recording]

Opposition Group Hands In Arms in Khorog

LD0205093395 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 2 May 95

[FBIS Translated Text] Yesterday, an armed antigovernment group led by Tolib handed in its arms and ammunition to the law-enforcement agencies of Khorog [Gornyy Badakhshan Autonomous Region]. They said they could no longer stand against their brother and sisters. General Anatoliy Chechulin, the head of the Russian Federation Border Troops group in Tajikistan, said their decent action showed a high sense of patriotism and generosity of spirit, as well as preventing bloodshed in Badakhshan.

Economic Results in First Quarter

LD2904190295 Dushanbe KHOVAR in Russian 0950 GMT 26 Apr 95

["Communique" issued by the State Statistics Agency of the Government of Tajikistan]

[FBIS Translated Text] The socio-economic situation in the Republic of Tajikistan in the first quarter of 1995

Statistical data for the first quarter testifies that the economy was under the influence of the negative consequences of the crisis that emerged in previous years, causing a decrease in the volume of output in sectors of the national economy and having a significant influence on the decline in the population's living standards.

Macroeconomy, finance, and currency circulation gross domestic output in the first quarter of 1995 fell compared to the corresponding period of last year (according to calculated data) by 18 percent, and the national income produced fell by 22 percent.

The financial situation in the republic remains complicated.

In the first quarter of this year proper revenue to the amount of 307.6 billion rubles entered the state budget, or 102.7 percent from the planned receipts. Land tax revenues were larger than envisioned (by a factor of 1.9); charges and various nontax revenues and rental charges (by a factor of 1.6); state dues, local taxes and charges (92 percent); customs duties (by 44 percent); taxes from cooperative and public organizations (by 40 percent); tax on profits of state enterprises and organizations (by 39 percent), and so on. At the same time, revenues from privatization of state proprty fell by almost 85 percent; income from customs procedures by 77 percent; water payments by industrial enterprises by 57 percent; taxes from the owners of transport facilities by 53 percent; receipts from the revaluation of goods by 44 percent; and excise duty by 28 percent. There was no revenue from selling produced gold, or from realizing the state loan and currency.

The expenditure from the state budget was 271.7 billion rubles or 44 percent from established expenses. All items of expensiture were accomplished with a reduction of planned allocations. There was no expenditure on servicing the state external debt or internal debt; and for maintainining consulates and embassies abroad, assignations to the CIS budget under the State Loan of 1992 and 1993, or for liquidating the consequences of the Chernobyl Nunclear Power Plant accident.

The complicated financial state of enterprises and organizations constantly compels them to resort to loans. As a whole, the total volume of provisions of credits increased in two months in the republic by 14.4 billion rubles and comprised 2.3 trillion rubles on 1 March 1995. In this period short-term credits fell by 20.8 billion rubles, as the National Bank of the republic established a limit for commercial bank credits at the level of credit provision as of 1 January 1995, as a result of which long-term credit increased by 34.7 billion rubles in January and February, on the whole allocated to financing investment.

Despite the strict requirements on allocating credits, in the first two months of this year outstanding debts on bank loans increased by 230 percent and comprised 105.6 billion rubles on 1 March 1995; mutual debts of enterprises reached 406 billion rubles, having increased by a factor of almost 1.5.

In many commercial banks an outflow of the population's assets has been observed. The amount involved from deposits comprised 8 billion rubles in the first quarter (20 percent of all involved assets).

The rest of the people's deposits, as of 1 April, amounted to 277.3 billion rubles, of which 70.9 billion rubles (26 percent) were in commercial banks.

In January-March, emissions amounted to 19.7 billion rubles, and in March 19.3 billion rubles. Wage payment arrears for the first three months of this year amounted to 65.1 billion rubles; pension, benefit and insurance payment arrears, 4 billion rubles, and in March in particular these figures were 45.8 billion and 3.3 billion rubles respectively.

Overall personal income in the first three months of 1995 amounted to 110.2 billion rubles, or 4.7 percent less than in the same period of the previous year.

Overall personal expenditure was 90.6 billion rubles, having increased by a factor of 1.6 on the same period last year. The developing market relations in the republic are promoting business activities.

At the beginning of 1995, 4,015 nonstate business structures were functioning in the republic, including 545 cooperatives, 2,172 small and 1,298 private enterprises. By comparison with 1994, their number grew by a factor of 1.2. The number of small and private enterprises increased considerably: the former by a factor of 1.3, and the latter by a factor of 1.4, while the number of cooperatives fell by 23 percent.

The numbers of employees in entrepreneurship increased on the year by 6.2 percent, and reached 57,200 people. Earnings from selling products (works and services) increased in comparison with the previous year by a factor of 3.1, including in cooperatives by a factor of 2.7; in small enterprises by a factor of 3.1; and in private enterprises by a factor of 4.3, which is to a considerable extent connected with price rises.

The greatest number of nonstate business structures were concerned with trade activity. They amount to more than 26 percent of the total number, including 37 percent in private enterprises, 22 percent in small-size enterprises, and 15 percent in cooperatives. small business structures occupied in industrial activity amount to 18 percent; in building construction, 15 percent; and 9 percent in services.

Industry in the First Quarter of 1995

Products worth more than 805 billion rubles were produced, which is lower than the January-March level of the previous year by 24.4 percent on the basis of comparable prices.

The growth in output volumes compared to January-March of the previous year was provided only by enterprises of the Ministry of Bread Products and the wine-producing sector of the Tajikpishprom Committee [Tajik food industry committee]. The republic's industrial enterprises are still working in conditions of unstable economic contacts and continuing complications with payments, which were the cause of a slump in production in the republic's industry.

In the cotton-processing industry in January-March of this year, the volume of output fell by 5.4 percent in comparison with the previous year.

Because of continuing problems with material and technical supplies and funds, chemical and oil-chemical production fell considerably by 44 percent; timber, wood-processing and cellulose-paper output by 62 percent; building materials output by 65 percent; cotton production by 52 percent; wool production by 64 percent; silk production by 70 percent; knitted goods production by 78 percent; garment production by 71 percent; and fish production by 58 percent.

Production volumes were down against the first quarter of last year: in power-engineering, 85 percent; nonferrous metallurgy, 86 percent; mechanical engineering, 70 percent, meat manufacturing, 57 percent; and butter manufacturing, 54 percent. All in all, over two-thirds of enterprises in industry, 74 percent, showed reduced production volumes. In January-March this year, output levels for the most important items for production and technical purposes were considerably down against January-March last year.

Fuel and power industry enterprises worked much worse than in the first quarter of last year. Last year's production levels for all kinds of fuel and for electricity production were not reached during the first quarter of this year. Over this period coal extraction fell more than threefold against the same period last year; oil, including gas condensate, extraction fell by 32 percent, and gas output by 13 percent.

The chemical industry failed to produce its main types of output over this period: mineral fertilizers, synthetic ammonia, and caustic soda.

Further decline in the output volume of vehicles and power transformers was stopped.

At the same time, the production of spinning, winding, and agricultural machinery, hydraulic drive systems and automatic hydraulic machinery was 8-13 percent of the production levels of January-March 1994.

In addition, during the period in review, there was no production of low-voltage electrical machines, metal processing instruments, or metal-cutting machine tools.

Production levels in the building materials industry were down by two-thirds; production of cement and prefabricated, reinforced concrete structures and fittings decreased threefold; production of bricks by 43 percent.

Agriculture

One of the features of the current crisis situation in agriculture is the drop in volumes of production and in the efficiency of the work of agricultural enterprises. Agricultural workers were unable to halt the fall in the volume of agricultural products. The volumes of production of the main products of crop cultivation and livestock breeding have fallen sharply, with the resulting negative knock-ons in food supplies for the population.

In spite of this, agricultural workers are carrying out seasonal work everywhere. By 17 April 1995 collective farms, state farms, and other agricultural enterprises have sown spring crops on an area of 212,400 hectares; this figure was 217,700 hectares for the same date last year. Of this, cereals and beans (excluding maize) cover 72,300 and 83,500 hectares [last year's figure] respectively; wheat, 42,300 and 55,400 hectares; barley, 16,300 and 22,200 hectares; vegetables, 6,600 and 7,400 hectares; annual herbs, 4,400 and 6,500 hectares; cotton, 110,900 and 86,600 hectares, including fine-fiber kinds 32,800 and 35,900 hectares.

The state of readiness of agricultural machinery and supplies of diesel fuel meant that spring work in the fields was carried out successfully. However, on 1 April this year, there were over 13,000 tractors, that is, 37 percent of those in operation, unfit for work; 7,000 trucks, or 38 percent; 3,300 tractor trailers, or 42 percent; 3,300 tractor ploughs, or 36 percent; 3,300 tractor cultivators, or 42 percent; 2,600 sowing machines, or 44 percent, 1,100 including machines for sowing cotton seeds, or 27 percent.

Farms in Khatlon region [southern Tajikistan] and in certain districts of the republic are lagging far behind in getting cultivating, sowing, and other machines ready for work.

Agricultural enterprises are experiencing great difficulties with fuel supplies. A total of 24,300 tonnes of diesel fuel have been received since the beginning of this year, which is 1,300 tonnes or 6 percent more than in the same period last year. A total of 1,600 tonnes of petrol have been received since the beginning of this year, which is 1,800 tonnes (51 percent) less than at the same point in 1994.

The situation in the livestock-breeding sector is extremely difficult. Collective and state farms and intermediate enterprises produced 6,700 tonnes of meat (bodyweight), 300 tonnes less than in the same period last year; 19,600 tonnes of milk, or 7,200 tonnes less; and 12.8 million eggs, or 6.8 million less than in the same period of 1994.

The majority of the republic's agricultural enterprises have permitted livestock production to drop significantly. One of the reasons for the decline in the livestock products was the reduction in head of livestock and low productivity. The total head of bovine livestock as of 1st April 1995 was 303,000 head, a fall of 41,600 head (12 percent); including 89,700 cows, a fall of 10,000 (10 percent). There were 19,000 pigs, a fall of 10,000 (48 percent); 1,279,000 sheep and goats, a fall of 77,000 (six percent); 1,075,800 poultry, a fall of 1,032,600 (49 percent).

The republic's agricultural enterprises achieved the following increase over this period: The number of calves born increased by 22,000 head, or 2,900 less than in the same period last year, that of piglets by 3,600 heads, or 5,300 head less, and lambs and kids by 337,300 heads, 12,500 less than the figure for the same period in 1994.

A total of 1,048 heads of bovine livestock, 6,000 sheep and goats, and 321,200 poultry died.

The overall volume of state purchases of livestock products in the first quarter of 1995 was as follows: 3,300 tonnes of livestock and poultry (bodyweight); 11,600 tonnes of milk; and 5,800 eggs. Compared with the same period last year, 7,400 tonnes less of milk (39 percent) and 8,000 fewer eggs (58 percent) were bought.

Agricultural enterprises in Kofarnihon district showed the largest decrease in volumes of livestock and poultry purchases, at 73 percent; and in Fayzabad and Garm districts, at 61 percent. Most enterprises in districts directly subordinated to the republic and in Gornyy Badakhshan Autonomous Region failed to reach even the half the level of milk purchases last year; in Fayzabad district this figure was 95 percent; and in Shahrinav district it was 76 percent.

Agricultural enterprises earned 5,906.1 million rubles from livestock and poultry sales at a price of 1,774,000 rubles per tonne; 2,892.8 million rubles from milk sales at a price of 250,000 rubles per tonne; 4,268,9 million rubles from distribution of eggs at a price of 730,000 rubles per 1,000 eggs.

Capital Construction

The decline in investment activity continued during the first quarter of 1995. The current construction program has not been drawn up yet due to the deficit in budget appropriations, the rising prices for construction materials, and the contracting organizations' shortage of floating assets. Capital investments have been carried out slowly and ineffectively.

Capital investments worth 101.3 billion rubles were made from all sources of funding. The total amount of capital assets put into operation was just 24.9bn rubles. Three quarters of the funds allocated remained tied up in incomplete construction projects. The volume of incomplete construction was 527 billion rubles as of 1 April 1995.

A total of 59 percent of capital investments went into the industrial construction in the first quarter, but virtually no production capacities were put into operation. The Dushanbe bakery plant was put into operation (conditionally), on the basis of outstanding obligations from previous years, but the legislative act by the state commission for acceptance of projects is still at the approcal stage.

In the first quarter 41.6 billion rubles, which is only 41 percent of total capital investments in the republic, was spent on the construction of establishments for the social sphere. However, there were no returns from the money invested. Capital assets worth only 8.9 billion rubles were put into operation. Work on putting social-sector establishments into operation was almost brought to a standstill.

Houses totaling 14,228 square metres in area were put into operation using all sources of funding. Leninabad Regional Executive Committee commissioned houses with a total area of 3,335 square meters; Dushanbe city executive committee 2,385 square meters; the Khodzhent city executive committee 2,779 square meters; and Kurgan-Tyube town executive committee 2,643 square meters. So all in all, housing construction in the republic fell 33 percent on the first quarter of last year. It fell by a factor of 2.5 in Dushanbe, and by a factor of four in Khatlon region. No housing was commissioned in Gornyy Badakhshan Autonomous Region. Housing construction fell twelvefold on the same period in 1990.

During the first quarter of this year not a single school, kindergarten, healthcare, cultural, or other social sector establishment was put into operation.

In the first quarter there were 602 construction organizations operating on a contractual basis in the republic. Fifty-three percent of them were state-owned enterprises and 47 percent collectively-owned. Seenty-six of all collectively-owned enterprises were on a lease, 12 percent were cooperatives, 10 percent were associations and joint stock companies and 2 percent were small enterprises.

Contractual organizations mainly focused their attention on fulfilling volume-based indicators. They carried out contractual work worth an estimated 112.9 billion rubles, or 13 percent of their contractual obligations. The principal volume of contractual work, 52 percent of it, was carried out by state-owned enterprises, and 48 percent by collectively-owned enterprises. Contract organizations under the Tajikstroy state construction committee carried out construction work worth 33.2 billion rubles, or 22 percent of their contractual obligations; those belonging to the Tajikselstroy [Tajik Agricultural Construction] carried out work worth 23.4 billion rubles, or 16 percent or their obligations, and those belonging to the Ministry of Water Resources (including the Tajikvodstroy company and the Tajikselkhozvodoprovodstroy company) carried out work worth 19.9 billion rubles, or 23 percent of their obligations.

The activities of contractual organizations were limited in the first quarter because no construction program had been put together for 1995. By 1 April 1995 contracts totaling only 424.4 billion rubles had been made. This was approximately 33 percent of what was planned for this year.

No contract has been made for 1995 by the following enterprises operating on a contractual basis: the Nurafao GK [state concern], the Construction and Assembly Unit of the Interior Ministry, the Tsentralelektromontazh joint-stock company, the Vostokburvod construction company, Construction Unit No. 898, the Vodstroy AP [expansion unknown] as well as many other collectively-owned organizations.

The republic's main contractors, namely the Tajikstroy state construction committee and the Tajikselstroy concern, have not yet finished putting together a building program for 1995.

Transport and Communications

In the first quarter the volume of freight transport by all means of transport fell by 16 and 14 percent against the target and compared to the same period last year respectively. In March, freight transport fell by 542,000 tonnes.

The plan for sending freight by rail was 84.2 percent fulfilled. The plan for transporting grain and flour products was not fulfilled by 26.7 percent; cement by 69 percent; chemical and mineral fertilizers by 67.2 percent; ferrous metals by 36.7; and scrap and ferrous metals waste by 67.5 percent.

A total of 1.6 million tonnes of national-economic freight was transported by public transport, which is 299,400 tonnes less than the targeted figure and 298,5 tonnes less than the same period of 1994. A fall in volumes against the plan and last year's figures is observed at all motor associations.

More than 21 million passengers were transported by public transport, or 1.2 million people less than last year.

Air freight transport fell by 39.9 tonnes against the first quarter of last year. Passenger transport fell by 13,600 passengers compared to the same period last year, and accounted for 40,500 people. The incomes of communication enterprises from their main activities increased through the raising of rates for their services. For the first quarter of the current year they accounted for more than 10.6 billion rubles, and the volume of realization of communication services to the population was worth 2 billion rubles. The number of telephones installed for the population increased by 10,900 in the first quarter of 1995.

Losses and thefts of postal orders and communications have increased fourfold.

Social Sphere

The difficult economic situation continues to affect employment. As a result of the sharp fall in living standards, more and more people are forced to seek jobs as a means of subsistence.

Over the last two month of the current year, 3,800 citizens applied to the employment agency, and 1,400 people or 38 percent of those who applied received jobs. Given the scant possibilities of the employment agency, fewer people are trying to solve the employment issue through the employment agency. As a result, the number of unemployed citizens registered at the employment agency fell by 14 percent, and accounted for 123,600.

The number of citizens with official unemployed status increases each month, and on 1 March of the current year reached 37,900 people, which is up 1.5-fold of the same period last year.

Unemployment allowances are allocated for 7,300 people, but only 1,400 unemployed or 19 percent get allowances.

The impoverishment of most workers is continuing in the republic. The nominal wage in February was 39,700 rubles [per month], which is 1.3 times higher than the previous year, but its real amount, taking into account the indexation of consumer prices for that period, fell 1.1-fold.

There is still considerable gap between the levels of payment of workers in different branches of economy.

In February, the most highly-paid workers were engaged in finance, crediting and insurance (132,100 rubles), construction (83,900), and industry (78,800 rubles). Workers in agriculture (12,900 rubles), forestry (17,300), education (28,400), science and technical services (29,500) and culture and the arts (29,800 rubles) were still lowly-paid.

The Consumer Market and Service Sector

In the first quarter of this year the output of consumer goods fell by 28 percent and amounted to 162 billion rubles as compared to the first quarter of last year. Some 128 enterprises (68 percent) cut the production of consumer goods, because of the lack of raw materials, materials and equipment, and mutual nonpayments.

Foodstuffs production increased by approximately 2 percent against the first quarter last year, and totalled 70 billion rubles in the accounting quarter. In general the growth was due to the sharp 1.5-fold increase in flour, bread and bakery production.

The production of other kinds of foodstuffs fell considerably. Meat and meat products fell by 37 percent, sausages by 28 percent, and fat and oil by over 50 percent compared to the first quarter last year. Confectionery output totalled only 25 percent, and soap 12 percent compared to the same period last year.

Light industrial goods output was about 50 billion rubles, or 54 percent less than the corresponding period last year. The production of all light industry goods fell compared to the first quarter of last year. Production of cotton and silk fabrics, carpets, and carpet goods and footwear fell by 3-3.1-fold; knitted garments and underclothes by more than by half; and only 7 percent of hosiery goods were produced compared to the same period last year.

Cultural, welfare, and household goods and services were worth 35 billion rubles, or 16 percent less than in the first quarter of last year. The enterprises of the republic cut production of household tableware: aluminium goods by about half, china by 42 percent, and steel enamel by 79 percent. Furniture production was 44 percent of the amount in the first quarter of last year, and paper goods only 8 percent. In the period covered, household refrigerators were not produced.

Retail turnover, including catering, was worth 126 billion rubles, which is 45.7 billion more than in the corresponding period of last year (in actual prices). The development of trade in the nonstate sector, the share of which has started to grow, promoted the growth of turnover volume.

Catering turnover totaled 8.9 billion rubles and increased by 1.2 billion rubles (in actual prices) as compared to the first quarter of 1994.

Despite the difficult transport situation in the republic the urban population was still satisfactorily provided with vegetables: cabbages, carrots, beetroots, garlic, and others.

At the same time, supplies of meat and dairy products, sugar, macaroni foods, and tea were sharply reduced in the retail trade network. There were no eggs, fat and oil, margarine, or confectionery present in the retail trade network. There were periodic irregularities in bread supplies.

The same situation applied to the supply of basic nonfood goods. Cotton and silk fabrics, knitted and hosiery goods, and leather footwear supplies fell.

The volume of the realization of paid services to the population in the first quarter this year totaled 32508.7 million rubles (in current prices), which is 2.6-fold more than over the corresponding period last year. This amount in comparable prices totaled 1679.1 million rubles, or 132.5 percent against last year's level.

The volume of paid services rendered by leasehold collectives continues to grow. If in January their share made up 1.6 percent in the total volume of services, then in the first quarter as a whole it was 2.5 percent.

Price and Tariff Indexes

In January-March this year the price index of goods was 130 percent at industrial enterprises (against 289 percent in first quarter of last year). A trend toward growth in fuel industry product prices is still being observed: for the first quarter prices in this sector grew by 145 percent. In the same period average prices in the coal industry grew by 170 percent, in the lead and zinc industry by 380 percent, and in the basic chemicals industry by 190 percent. Compared with December last year, prices of products in the mechanical engineering sector grew by 178 percent in January-March 1995 as a whole.

Construction material prices have not been stable. On average in this sector, the rate of growth in the level of prices was 45.6 percent a month. Prices of assembled and ferro-concrete constructions grew by 340 percent in the first quarter of this year against December 1994.

The rise in prices in the food industry products was insignificant compared with the figures for December 1994. The average monthly increase was 4 percent.

The situation on the consumer market is still complicated. The intensification of the activities of trade enterprises of various forms of ownership, and private sales on streets have led to some extend to the filling of shop counters with goods, which are however inaccessible to the majority of the population due to the cash shortage.

In January-March 1995, the increase in prices in the consumer sector (taking into account collective farm market prices) compared with December last year was 35 percent, including a 42.5 percent increase in food prices and 20.8 percent increase in industrial goods prices.

There were price rises in practically all types of goods sold by enterprises having a licence for trade. In the first quarter of this year, the price of cheese grew by 460 percent; fruit, butter, vegetables, and potato prices by 220-300 percent; vegetable oil, tea, oats and pulses, dairy products and sugar by 140-180 percent. Meanwhile there was a 20 percent fall in egg prices in this trade sector.

At collective farm markets there was a rise in prices in the plant-growing and cattle-breeding sectors of agriculture by 180 percent for the quarter under consideration in 1995. Industrial goods prices grew on average by 20.8 percent in the quarter of this year. Laundry soap, haberdashery, thread, and publications prices grew considerably (by 43-80 percent). Leather footwear, tableware, stationary, perfumery and cosmetic goods, detergents, and tobacco products rose in price by 22-34 percent. There was a moderate rise in price (by 10-16 percent) for toilet soap and electrical home appliances.

Tariffs for paid services grew in January-March this year by 36.6 percent. Payment for medical and communication services grew the most, by 340 and 250 percent respectively. Public transport fares rose by 180 percent, and payment for travel and excursion services by 170 percent. Sanatorium and spa treatment, home repairs and cultural services grew in price by 25-30 percent.

The summary index of consumer prices in February this year, if compared to December last year, was 125.7 percent, including 126.5 percent for food products, 122.6 percent for industrial goods, and 127.7 percent for paid services.

The cost of a set of food stuffs of practical consumption (according to the data of a survey of family budgets for 1993) in prices as of 1st April 1995 amounted 55,900 rubles a month for one member of a family, and 103,600 rubles if nourishment is rational.

Foreign Economy Activities

Products manufactured in the republic are being exported to 17 states outside the former Soviet Union. The main exports are primary aluminium (over 51,000 tonnes), cotton fiber (18,900 tonnes), and cotton fabrics (150,000 linear meters). Raw materials, equipment and foodstuffs are imported on an exchange basis.

One should note that the republic has mutual exchange trade relations with a number of states: Belgium, Great Britain, the Netherlands, Norway, Switzerland, Turkey, and Latvia. In the first quarter this year there was a unilateral trade connection with such countries as Austria, Hungary, Germany, Spain, the Democratic People's Republic of Korea, South Korea, Finland, Japan, and Lithuania: Raw materials were exported (aluminium and cotton), but nothing was imported in return.

In the first quarter the foreign trade turnover of the Republic of Tajikistan with countries beyond the former Soviet Union was over $157 million in all: $99 million for exports and more than $57 million for imports.

Crime

In the first quarter of 1995, the law enforcement bodies registered 3,388 crimes, 21 percent less than in the corresponding period of 1994. At the same time, the number of registered crimes increased as compared with the first quarter of 1994 in Varzob district (by 26.1 percent), Lenin district (by 12.1 percent), Fayzabad district (by 3.2 percent), and in districts of the Gornyy Badakhshan Autonomous Region by 8.4 percent.

The percentage of unsolved crimes decreased from 67.2 to 42.2 percent.

As before, the most widespread kinds of crime were thefts of state, public, and private property (1,851 thefts). The share of these kind of crimes in the overall figure was 54.6 percent.

The total number of people who committed crimes was 1,719, of whom 6 percent were women; 36.7 percent were not in full-time employment or education; 11 percent were underage; 28 percent were people in criminal groups; and 10.8 percent were in a state of alcoholic intoxication.

A total of 1,531 people are fugitives from justice. The search is on for 1,569 criminals and 552 missing people. Criminal proceedings were instituted against 1,334 criminals.

[Signed] The State Statistics Agency of the Government of the Republic of Tajikistan

Uzbekistan

Japanese Bank, EBRD To Fund Upgrae of Fergana Oil

LD0105162795 Moscow INTERFAX in English 1535 GMT 1 May 95

[FBIS Transcribed Text] Tashkent, May 1 (FIA-Interfax)—The Ex-Im Bank of Japan and the European Bank for Reconstruction and Development (EBRD) plan to sign an agreement to fund the upgrade of Uzbekistan's only oil refinery situated in Fergana later this month.

A spokesman for Japan's Mitsui & Co in Tashkent, Mr. Tanaka, told Interfax's Financial Information Agency that the project was estimated at $150 million. Tanaka is the coordinator of works under the project, expected to take 33 months, and mediator between Uzbekistan and the Japanese companies which will perform the upgrade.

According to Tanaka, the Japanese government also intended to open Uzbekistan a credit line of $150 million (in yens) through his company to upgrade the republic's telecommunications. However, it is still unknown when this project will be implemented.

In addition, the Japanese government will grant Uzbekistan a free cultural grant of $500 million mediated by Mitsui & Co later this month.

Karimov Edict on National Security Council

LD0205090995 Tashkent PRAVDA VOSTOKA in Russian 02 May 95 p 1

[President Islam Karimov decree: "On the National Security Council of the Republic of Uzbekistan;" issued in Tashkent on 1 May]

[FBIS Translated Text] In accordance with the decisions of the first session of the Supreme Assembly of the Republic of Uzbekistan of the first convocation, with the aim of developing and coordinating state policy on issues of national security:

1. To set up a Council of National Security under the President of the Republic of Uzbekistan - a consultative body dealing with issues of state domestic and foreign policy in the sphere of guaranteeing security.

2. To confirm the regulations on the Council of National Security of the Republic of Uzbekistan and the composition of its membership.

3. The Ministry of Defense of the Republic of Uzbekistan, jointly with the relevant ministries and departments, is to develop a draft law "On National Security," to be further submitted for consideration to the Supreme Assembly of the Republic of Uzbekistan.

No May Day Rallies, Demonstrations Reported

LD0105144995 Moscow INTERFAX in English 1321 GMT 1 May 95

[FBIS Transcribed Text] TASHKENT, May 1 (Interfax)—Not a single political party nor a public organization of Uzbekistan has applied for an official permission to hold a holiday march or a public meeting in the republic's capital on May 1, which is a working day, a spokesman for the Tashkent Mayor's Office told Interfax on Monday. May 1 is no longer a holiday since 1991 when the Soviet Union collapsed and Uzbekistan declared itself an independent republic.

The republic's Communist party, the former main organizer of May Day celebrations, has transformed into the People's Democratic party of Uzbekistan and is led by the republic's president Islam Karimov. The party does not mark the former Soviet holidays. Attempts to create a new Communist party are not yet a success, and there is not actually in Uzbekistan a political organization of the left-wing orientation, which would take up the holding of May Day celebrations.

Now Uzbekistan officially celebrates six holidays: the New Year, the International Women's Day,, Independence Day and the Day of the Uzbek Constitution. Besides, two religious Moslem holidays, Ruza hayit and Kurban hayit, are days-off in the republic, according to the decrees by President Islam Karimov.

Half of Products Are Substandard

LD0105162595 Moscow INTERFAX in English 1535 GMT 1 May 95

[FBIS Transcribed Text] TASHKENT, May 1 (Interfax) - A half of products made in Uzbekistan does not meet the standards and is defective, the Uzbek Standardization Committee told Interfax.

The committee conducted an inspection at 477 enterprises producing consumer goods, petroleum products, equipment and agricultural produce since the start of 1995 to reveal technology violations at 59 percent of the enterprises.

This figure represents an increase against the last year when violations were revealed at 61 percent of enterprises, while defective products accounted for 57 percent of the output.

Enterprises where violations were revealed were fined a total of 2.5 million sums (500 million Russian rubles).

Armenia

Results of Karabakh Parliamentary Elections

NC0105210495 Yerevan Armenia's Radio First Program Network in Armenian 1900 GMT 1 May 95

[FBIS Translated Text] As of 1 May, the new parliament of Nagorno-Karabakh Republic [NKR] has 24 deputies. This result was achieved during the parliamentary elections held in that republic on 30 April on the basis of a majority of the votes. According to the preliminary reports, more than 70 percent of the electorate took part in the elections.

A group of international observers in Stepanakert monitored the elections. Among them were Andrey Nuikin and Valentin Mikhailov, members of the Russian State Duma; Anahit (Arveshavashkili), a member of the Russian-Armenian Initiative Center in Moscow; public activist (?Nerka Burkova); Dietrich Sperling, a member of the German Bundestag and one of the leaders of the Social Democratic Party; Anahit Bayandur, chairman of the Armenian Committee of the Helsinki Civil Assembly and a member of the Armenian parliament; and others.

The Central Election Commission informed our correspondent in Stepanakert that out of 33 electoral districts, elections were not held in two districts—No. 12 in Stepanakert and No.18 in Hadrut—due to the registered candidates' (?absence).

In seven election districts, none of the candidates obtained the necessary votes.

The Central Election Commission will meet on 5 May to determine the date and list the candidates for the runoff elections for the remaining parliamentary seats.

The newly elected deputies mostly belong to Intellectual Artsakh [Nagorno-Karabakh], Democracy, and the Nagorno-Karabakh Women's Association public organizations, or were put forward as candidates by the labor collectives and citizens' groups.

According to Mushegh Ohanjanian, chairman of the Central Election Commission, so far Intellectual Artsakh has won most of the seats in the parliament. It is also significant that women have won 5 seats in the NKR parliament, which is called upon to work as a professional body. This is four more than in the previous Supreme Council. This testifies to the growing political (?maturity) of women.

Parties, Organizations Participating in Elections Listed

NC0105162995 Yerevan SNARK in English 1134 GMT 1 May 95

[FBIS Transcribed Text] Yerevan, May 1 (SNARK)—SNARK was informed by the Central Electoral Committee that two party blocs, 10 public and political organizations, as well as 10 other parties have applied to participate in the parliamentary elections of Armenia.

The Republican Party, Christian-Democratic Party, Social-Democratic Party, Intellectual Armenia Union, as well as Democratic-Liberal Party joined the "Republic" bloc formed within the ruling Armenian National Movement Party. The main opposition bloc, "National Consent" is led by the Armenian Revolutionary Federation Dashnaktsutyun and includes the Constitution Right Union, Armenian Intellectuals' Union, Artsakh-Armenia public and political organization, and "Zharang" (Heir) West Armenian Club.

The Communist Party, National-Democratic Union, as well as "Rumgavar Azatakan" [Democratic Liberal] Party will struggle alone to be elected to the parliament.

Azerbaijan

Black Sea Countries' Parliamentary Body Adopts Plan

NC0105165995 Baku TURAN in English 1334 GMT 1 May 95

[FBIS Transcribed Text] Baku (May 1) TURAN—Last week there was the Fifth session of the Committee for Juridical and Political Affairs of the Parliamentary Assembly of the Black Sea Economic Co-operation (PABEC).

The long-lasting plan of actions of the committee was adopted during the session. The basic standings of the plan include contribution to exchange of legislation information among the member-countries with the purpose to create conditions for conclusion of many lateral agreements on creation of free trade zones, co-operation in struggle against drug traffic, criminality and arms transportation in the member-countries, consideration of the issue on co-operation in the NATO "Partnership for Peace" program, acceleration of settlement of the armed conflict in the region by political means and non-admission on new conflicts.

Totally 17 proposals were adopted within the framework of the long-lasting plan.

Aliyev Receives Georgian Delegation

NC0105184795 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 1 May 95

[FBIS Translated Text] As we had reported at the beginning of our newscast, President Geydar Aliyev has received a Georgian delegation headed by First Deputy Prime Minister Zurab Kervalishvili. Our film crew has just returned from that meeting and now we present the video recording of the meeting.

[Begin recording] [Unidentified reporter] Azerbaijani President Geydar Aliyev today received Georgian First Deputy Prime Minister Zurab Kervalishvili and Deputy Prime Minister Temur Basilia.

It was noted at the meeting that there are many factors uniting Azerbaijan and Georgia as fraternal countries that have honorably preserved and maintained close neighborly and friendly traditions for centuries. They noted that these factors have become more conspicuous in the present difficult economic conditions, in terms of the communality and solution of the problems. In these circumstances, the two countries cannot thrive without coordinating their positions and without mutual ties and cooperation.

Georgian First Deputy Prime Minister Zurab Kervalivishli noted that some results have been achieved in dealing with numerous problems in the last month. Following talks with the Iranian leaders, an agreement has been reached on transporting transit goods from Iran to Georgia and from Georgia to Iran via Astara and not via Megri railway station as originally proposed by Iran.

Azerbaijani President Geydar Aliyev highly assessed the activity of the Georgian ambassador to Azerbaijan, and noted the need for Azerbaijan to open an embassy in Georgia. [end recording]

[Announcer] A number of other matters were also broached at the meeting.

Parliamentary Delegation Leaves Black Sea Talks

NC0105201095 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1815 GMT 1 May 95

[FBIS Translated Text] A delegation headed by Yashar Aliyev, deputy chairman of Azerbaijan Supreme Soviet and Vice President of Black Sea Economic Cooperation [BSEC] parliamentary assembly, left for Albania today to take part in the session of the BSEC parliamentary assembly bureau in Tirana on 3 May. The agenda of the assembly's spring session in Moscow and a number of matters relating to the assembly's activities will be examined.

Iran Offered Share in Shahdeniz Offshore Oil Field

NC0105203995 Baku TURAN in English 1420 GMT 1 May 95

[FBIS Transcribed Text] Baku (May 1) TURAN—Azerbaijan intends to offer Iran share in development of the oil-gas offshore oil-field "Shahdeniz", the source from SOCAR [State Oil Company of the Azerbaijan Republic] told TURAN agency. The same source said that SOCAR will give Iran 5-10 percent share in this project.

Earlier Azerbaijan concluded preliminary agreement with "BP-Statoil" alliance and Turkish State company concerning development of this oil-field.

Baku intends to make the step towards Tehran and attract it for oil extraction on the Azeri section of the Caspian Sea. As was earlier reported, a month ago Baku refused participation in the oil consortium on development of the "Azeri", "Chirag" and "Guneshli" oil-fields to Iran. That caused worsening of Azerbaijani-Iranian relations. Judging by all, Baku tries to normalise the relations attracting Tehran in new oil project.

"The "Shahdeniz" oil-field is located in the southern part of the Azeri section of the Caspian Sea and according to specialists, it contains 150-200 million tons of oil and 500 billion cubic metres of gas. There are 4 oil and 5-6 gas fields on this oil-field.

International Oil Consortium Members Define Roles

LD0105171395 Moscow ITAR-TASS in English 1704 GMT 1 May 95

[By Sevindzh Abdullayeva and Viktor Shulman]

[FBIS Transcribed Text] BAKU, May 1 (Itar-Tass)—The members of an international oil consortium set up to develop three oil deposits on the Caspian sea shelf in Azerbaijan have been assigned preliminary roles.

According to Baku newspapers, Amoco will handle oil extraction while four other American companies—Unocal, Exxon, McDermott International and Pennsoil—will deal with drilling, geological and geophysical exploration, pipe-line construction and gas extraction respectively.

It has also become known that British Petroleum will ensure ecological and labour safety, while another British company, Remco, will be in charge of oil equipment repairs.

The Norwegian company Statoil will act as a capital construction operator at the oil deposits. The functions of LUKoil (Russia) and Turkish Petroleum (Turkey) have not been defined yet and may be considered on May 4-5 when the international consortium holds its next session in London.

Meanwhile, Azerbaijani parliament chairman Rasul Gulieyv said on Friday that none of the four proposed methods of oil transportation to the West has been approved yet. The first one envisages transporting oil to Turkey through Iran. The second one calls for building an oil pipe-line to Novorossiisk through the North Caucasus. The other two suggest engaging Armenia and Georgia.

The Azerbaijani side thinks that the "Georgian variant" is "more preferable" because it does not rule out the transportation of oil to the port city of Batumi by railway from Baku.

Aliyev Statement to Jewish Community on Holocaust Day

NC0105193995 Baku AZERTAC in English 1620 GMT 1 May 95

[FBIS Transcribed Text] Baku, May 1 (AZERTAC)—The Azerbaijani president appealed to the Jewish community in Azerbaijan on the occasion of catastrophe day of Jewish people.

Annually the world public, the whole mankind commemorates the catastrophe day of Jewish people and holds the memory of victims of the whole nations genocide, is said in the appeal.

During the Second World War the fascists had cruelly destroyed six million people only because of their nationality.

On this mournful day on behalf of Azerbaijani people I share your sorrow, which brings our people closer. And we say together with you: Such tragedies must never recur.

Paris Club To Determine International Loans

954F2185A Baku GUNAY in Russian 25 Apr 95 p 1

[Unattributed report under the "News" rubric]

[FBIS Translated Text] "The International Monetary Fund's systemic transformation credit has opened the way into Azerbaijan for important investments of other international financial institutions," Vakhid Akhundov, state counselor for economic policy, declared at a news conference.

V. Akhundov informed journalists of a meeting of the Paris Club scheduled for 29 May which will specify the amounts of the loans to Azerbaijan, which will constitute $300 million. In addition, the World Bank could in mid-May even grant rehabilitation credit amounting to $70 million.

Foreign Trade Statistics

954F2185B Baku GUNAY in Russian 25 Apr 95 p 1

[Unattributed report under the "News" rubric]

[FBIS Translated Text] Iran is a major trading partner of Azerbaijan at this time. According to information of the country's Ministry of Economics. exports from Azerbaijan to Iran in the current month have totaled approximately $15 million, and imports to this country, $9.5 million. Exports to China have, correspondingly, constituted approximately $1 million, imports, $100,000. Goods totaling $1.3 million have been exported from Azerbaijan to Russia, imports to Russia [as published], on the other hand, have constituted approximately $2.7 million. With Turkey, $450,000 and $9.13 million respectively.

National 'Internal Debt' Totals $400 Million

NC0105170095 Baku TURAN in English 1334 GMT 1 May 95

[FBIS Transcribed Text] Baku (May 1) TURAN—Presently Azerbaijan's internal debt totals $400 million, the Minister of Finance, Fikret Yusifov, told TURAN.

He said that $20 [figure as received] of this figure fall on Russia. "In 1995 Azerbaijan intends to pay off a quarter of its internal debt", Yusifov said.

Georgia

Shevardnadze Congratulates Workers on May Day

LD0105150995 Moscow INTERFAX in English 1405 GMT 1 May 95

[FBIS Transcribed Text] TBILISI, May 1 (Interfax)—The Georgian leader Eduard Shevardnadze in his traditional radio interview on Monday, congratulated the working people on May 1.

"This holiday has always been associated with good feelings. I would like that good feelings be always with our society on May 1," he said.

Speaking about economic problems, Shevardnadze noted the subjects connected with the energy situation and the budget problems.

He said that a real prospect to overcome the energy crisis in the country had appeared with the help of countries of the international community and the CIS countries.

At the same time, he criticized the country's energy services, which have done little to mobilize all resources.

"I decided," said Shevardnadze, "that weekly results of work in the sphere of energy will be summed up at the meeting chaired by the head of state. Such form of work may intensify activities in the sphere of energy."

Speaking about the budget, the Georgian leader said that over four months of the current year it has been formed by 70 percent. "Though it is a much higher index against the previous year, we should achieve better results," said Shevardnadze.

He said that the visit by a representative delegation of the International Monetary Fund to be led by Michel Camdessus, is scheduled for May 4 in Tbilisi. [Moscow INTERFAX in English at 1321 GMT on 1 May, in a report on Shevardnadze's radio address, adds that he "described as successful the large-scale operation for exposing criminal elements, which was conducted by the law-enforcement bodies in Tbilisi and in eastern Georgia. He said that during the operation dozens of particularly dangerous recidivists had been arrested."]

Russian Commander Discusses Mandate With UN Observers

LD0105191295 Tbilisi Radio Tbilisi Network in Georgian 1850 GMT 1 May 95

[FBIS Translated Text] We have received a report from Zugdidi that, on Sunday, 30 April, Major General Vladimir Yakushev, commander of the Russian peacekeeping forces, met with a group of United Nations observers. Gen. Dula Abashidze, Yakushev's deputy and head of the observers from the Georgian side, attended the meeting.

Yakushev noted that the peacekeeping forces will continue to carry out their mission in the conflict zone, provided their mandate is extended and they are entrusted with policing duties.

Defense Ministry Military Collegium Holds Meeting

LD0105145295 Tbilisi IPRINDA in Russian 1335 GMT 1 May 95

[FBIS Translated Text] The Georgian Defense Ministry press center reports that the ministry's military collegium on 1 May held a meeting at which a whole series of pressing issues were discussed. The collegium decided to set up a scientific and military group at the Defense Ministry. The session also discussed the situation among military engineers. It was noted that numerous irregularities occurred among military engineers. The judge advocate's office was ordered to study the situation among the engineers.

The collegium also confirmed the appointment of Colonel Emzar Chochua as commander of rocket and artillery troops.

Defense Minister Lieutenant-General Vardiko Nadibaidze in his address noted that the main task of the Defense Ministry at the present stage is to make logistic provision for future conscripts (uniforms, footware, and food). The general noted that the Defense Ministry has resources and arms, but it is necessary to create the conditions and prerequisites for a normal, full training of military personnel.

Deputy: Military Planes 'Prepared' For Iran Sale

LD0205102495 Tbilisi IPRINDA in Russian 0900 GMT 2 May 95

[FBIS Translated Excerpt] Tbilisi—At today's session of the Georgian parliament, Nugzar Nadaraia, a deputy from the majority faction] demanded that Georgian Defense Minister General Vardiko Nadibaidze report to parliament on the status of the Russian peacekeepers in the Abkhaz conflict zone. This question was picked up by opposition deputy Tengiz Dikhaminjia, who said that according to his information, in some parts of western Georgia where the Russian peacekeepers are deployed, there are serious differences and confrontation between them and the local population. He said that the mass media are suppressing this fact and he demanded a meeting with the heads of local administrations to discuss it. [passage omitted]

[Opposition] Deputy Giorgi Khavtasi announced that according to his information 20 Su-25 ground attack aircraft are being prepared at the Tbilisi aviation factory for sale to Iran. Khavtasi demanded an explanation and said that Georgia's actions contradict the policy of the United States and Western countries on Iran.

In connection with the coming elections, Irakli Tsereteli, [leader of the opposition National Independence Party] proposed that the Tskhinvali region and Abkhazia should be declared occupied territory because if, due to the well-known reasons, the elections are not held there, Georgia will then lose them in effect.

Deputy Jaba Ioseliani [founder of the Mkhedrioni paramilitary group] noted that if the elections are not held by November this year, then, in his words, everyone will be in the same illegal position. He warned everyone, including [Head of State Eduard] Shevardnadze, that in that event, armed, rather than political, methods could be used in the struggle for power.

Ioseliani Discusses Abkhazia With U.S. Ambassador

LD0105155295 Tbilisi IPRINDA in Russian 1335 GMT 1 May 95

[FBIS Translated Text] Tbilisi (IPRINDA)—On 1 May, Jaba Ioseliani, member of parliament and chairman of the Committee for the Settlement of Conflicts in Georgia, received Kent Brown, U.S. ambassador extraordinary and plenipotentiary to Georgia; representatives of the U.S. Department of State; and employees of the UN observers headquarters at their request. The conversation touched upon the situation in Abkhazia. The participants in the meeting worked out specific measures for a peaceful settlement of the Georgian-Abkhaz conflict.

Chechen Refugees Move Into Empty Homes in Sukhumi

LD0205114495 Tbilisi IBERIA in Georgian 0900 GMT 2 May 95

[FBIS Translated Text] Sukhumi, 2 May—Incidents involving refugees from Chechnya moving into flats abandoned by the Georgians have been registered in Sukhumi.

An IBERIA correspondent has learnt from well-informed sources that over the past week wounded Chechen paramilitaries have been taken to hospital in Sukhumi.

Shevardnadze on Reasons for Gasoline Price Hikes

LD0105172995 Moscow ITAR-TASS in English 1126 GMT 1 May 95

[By Tenghiz Pachkoriya]

[FBIS Transcribed Text] Tbilisi, May 1 (Itar-Tass)—Petrol prices have sharply increased in Tbilisi and other cities of Georgia over the past two days. The cost of one litre of gas went up by 900 kyuries (1000 roubles) and is now sold at 2500 Roubles per litre.

Georgian head of state Eduard Shevaardnadze said in an interview with the Georgian Radio that, according to analytical reports he has at his disposal, the sharp rise in petrol prices over the past several days is caused by the reduction of the amount of gas imported by Georgia from other countries. According to him, the petrol price rise in Georgia bears a temporary character, and measures have already been taken to import the required amount of the fuel to the Republic. According to observers, this should help bring down and stabilize petrol prices in Georgia.

Latvia

Foreign Minister Returns From Trip to U.S., Canada

LD0105150595 Riga Radio Riga Network in Latvian 0900 GMT 1 May 95

[FBIS Translated Text] Latvian Foreign Minister Valdis Birkavs and Foreign Trade State Minister Valdis Pavlovskis [name as heard] returned to Riga from Canada this morning. The ministers gave a news conference at Riga Airport.

As is known, on 24 April the Latvian foreign minister spoke at the conference devoted to a review and extension of the Nuclear Nonproliferation Treaty in New York, expressing Latvia's official support for the need to extend the treaty indefinitely.

On 25 April the ministers left for Canada for an official visit, where future cooperation between the two states in the economic sphere and Latvia's cooperation with international organizations were discussed. For his part Pavlovskis met representatives of the Canadian Ministry of International Trade.

Birkavs told the news conference that Latvia and Canada had concluded an agreement that provides for a grant of $1.2 million to Latvia. The money is intended for the Latvian Privatization Agency to promote the pace of privatization and its efficiency as well as to improve Latvia's economic policy and train specialists.

The foreign minister also said that it was planned to prepare in the immediate future draft agreements on immigration policy and assistance in fighting organized crime. It is also planned to tackle issues on granting pensions by Canada to those Canadian Latvians who are moving to Latvia.

Government, Central Bank Work To Prevent Financial Crisis

WS0205115295 Tallinn BNS in English 1000 GMT 02 May 95

[FBIS Transcribed Text] Riga, May 02, BNS—The Bank of Latvia (BL) and the government had last week intensive talks with several state bankers on how to prevent the financial and banking crisis which looms large upon stability of the national currency, the leaders of several banks told BNS.

According to the information at BNS disposal, one of the most influential bankers of Latvia has demanded the BL to lend funding from the BL gold and currency resources, so that he could save the Latvian financial system.

The dealers of the commercial banks, questioned by BNS, announced that the sharp decrease of the BL convertible assets and an enormous budget deficit will give a proof that devaluation of the lat is to be expected soon.

The BL leaders will meet again with the leading bankers on May 2 to discuss the current situation.

As reported by BNS, the planned sitting in the National Security Council, in which BL President Einars Repse would report on the problems of the state banking system, has been cancelled.

The state budget deficit was 24.3 million lats in the first quarter of 1995. Under the law on state budget for 1995, such a large deficit was planned for July-August.

Information at BNS disposal says that the Latvian Government plans to cover a part of the state budget deficit by selling several downtown buildings in which commercial banks are currently situated.

Scientists Want Skrunde Radar To Monitor Space Objects

LD0105182095 Moscow ITAR-TASS in English 1809 GMT 1 May 95

[FBIS Transcribed Text] MOSCOW, May 1 (Itar-Tass)—A group of Russian scientists asked the Latvian authorities to preserve the former Russian military radar in Skrunde, 120 kilometres southwest of Riga, and convert it for civilian uses.

The scientists suggested converting the radar into an international system to detect dangerous space objects and protect the planet from a collision with them.

To justify their point, they cited the results of geological research of the Earth and other planets, the evolution of the Earth's biosphere, as well as the evolution of near-Earth space objects, such as asteroids and comets, which indicate the "inevitability of collisions of these objects with our planet in the past, at present and in the future."

The researchers pointed out that a new such collision with the Earth would be enough to cause cataclysms similar to those that occurred 65 million years ago, between the Cretaceous and the Tertiary periods, and led to the extinction of many species of the flora and fauna, including dinosaurs.

In their letter to the president, the parliament and the government of Latvia, they said the unfinished Russian military facilities in Skrunde, which Latvia plans to blow up on May 4, "together with the existing infrastructure could be much more useful if converted into a radar station to 'watch' the remote parts of the cosmos and reorganised into a national Latvian scientific and technological centre, with international participation, for global monitoring of dangerous space objects."

On Friday, the Russian Defence Ministry said Latvia's plans to explode the unfinished radar building in Skrunde and the lack of safety guarantees for the functioning radar, located less than one kilometre away, indicate that Latvia may fail to fulfil its obligations under a bilateral agreement on the legal status of the Skrunde radar for the period of its temporary functioning and dismantling.

The Latvian authorities recently announced that the unfinished 19-storey building of the former Russian radar in Skrunde will be destroyed on May 4 by a blast to be carried out by the U.S. Controlled Demolition Inc firm.

Defence Ministry experts believe that "the blast and seismic waves that it will cause may affect the functioning radar (to remain in operation until August 31, 1998) and harm the life and property of the radar personnel and their dependents," which runs counter to the bilateral agreement on the Skrunde radar.

They think that the explosion may result in the radar's failure to timely detect missiles, a considerable increase in false alarms and incorrect tracking of missiles test-launched by various countries of the region.

These consequences may affect regional stability and increase international tension, they said. The demolition of the unfinished radar can be carried out only after a thorough examination, with obligatory participation of Russian representatives, of its possible consequences, the ministry said.

Lithuania

Brazauskas Urges Agreement on Land Sale to Foreigners

WS0205115395 Tallinn BNS in English 1000 GMT 02 May 95

[FBIS Transcribed Text] Vilnius, May 02, BNS—Lithuanian President Algirdas Brazauskas said Monday [1 May] he expected last week's conference on the sale of land to foreigners to facilitate the preparation and passage of a corresponding constitutional amendment.

Brazauskas noted that very conflicting views on the issue were expressed during the conference, which was held in Vilnius.

The president urged the parliament to seek agreement and to solve the problem by way of consensus. "We must make decisions that would not violate the country's sovereignty but would also be acceptable to European Union nations, our present and future partners," Brazauskas said in a radio interview.

The Lithuanian leader also said that along with an amendment to article 47 of the Constitution, which prohibits the sale of land to foreigners, the government should present a draft law determining restrictions and other legal norms related to the implementation of the amendment.

Referring to foreign land-ownership experience, Brazauskas roughly divided all countries into three major groups. For example, he said, Romania, Albania and Armenia do not allow foreigners to purchase land, while Great Britain, France, Belgium and a majority of Latin American countries are quite liberal in this respect.

The third group includes Denmark, Hungary, the United States, Brazil and a number of other countries where foreigners are allowed to acquire land with certain restrictions that vary from country to country, the president said. In his opinion, Lithuania could use the experience of the latter group. He noted that only the sale of land that is not meant for agricultural use should be allowed in Lithuania at least in the beginning.

Brazauskas also pointed to other reasons why he thinks foreigners should be allowed to buy land. A foreign citizen who rents land can never be sure that the lease will not be cancelled. The Lithuanian leader indicated that banks often refuse to give loans when buildings without land are offered as a pledge.

Nuclear Fuel Cassette Remains Found Near Vilnius

MM0105122195 Moscow IZVESTIYA in Russian 29 Apr 95 p 3

[Report by Nikolay Lashkevich: "Traces of Nuclear Loss Found in Vilnius?"]

[FBIS Translated Text] In the Lithuanian capital in a small area of woodland close to a new residential district traces of a nuclear fuel cassette have been discovered. It is believed to have come from the Ignalina nuclear electric power station—this story is confirmed by physics experts who have studied the radioactive find at the capital's physics institute.

This sensational news sheds further light on the mysterious story of the disappearance of a nuclear cassette from the Ignalina nuclear electric power station about two years ago, which caused a great deal of alarm throughout the world. The metal pipe nearly 50 cm long weighing about on kilogram was accidentally found by a local inhabitant while he was out walking and it has emerged that it contained radioactive substances with an admixture of uranium and was emitting up to 100 microroentgen an hour, which is seven times the natural background radiation. The prosecutor's office has resumed the investigation into the events of two years ago and the circumstances in which a radioactive container very dangerous to health has come to be in the Lithuanian capital and into who could have kept it and where and why it was decided to get rid of it in this clumsy manner.

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